

INFORMATION TO OFFERORS OR QUOTERS SECTION A - COVER SHEET		1. SOLICITATION NUMBER SP0600-00-R-0075		2. (X one) <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px;"></td> <td>a. SEALED BID</td> </tr> <tr> <td style="text-align: center;">X</td> <td>b. NEGOTIATED (RFP)</td> </tr> <tr> <td></td> <td>c. NEGOTIATED (RFQ)</td> </tr> </table>			a. SEALED BID	X	b. NEGOTIATED (RFP)		c. NEGOTIATED (RFQ)
	a. SEALED BID										
X	b. NEGOTIATED (RFP)										
	c. NEGOTIATED (RFQ)										

INSTRUCTIONS

NOTE THE AFFIRMATIVE ACTION REQUIREMENT OF THE EQUAL OPPORTUNITY CLAUSE WHICH MAY APPLY TO ANY CONTRACTS RESULTING FROM THIS SOLICITATION.

You are cautioned to note the "Certification of Non-Segregated Facilities" in the solicitation. Failure to agree to the certification will render your reply non responsive to the terms of solicitations involving awards of contracts exceeding \$25,000 which are not exempt from the provisions of the Equal Opportunity clause.

See the provision of this solicitation entitled either "Late Bids, Modifications of Bids or Withdrawal of Bids" or "Late Proposals, Modifications of Proposals and Withdrawals of Proposals." NOTE: The information about LATE SUBMISSIONS, MODIFICATIONS AND WITHDRAWALS OF PROPOSALS is now contained in Clause L2.08-2, INSTRUCTIONS TO OFFERORS - COMMERCIAL ITEMS (NATURAL GAS).

When submitting your reply, the envelope used must be plainly marked with the Solicitation Number, as shown above, and the date and local time set forth for bid opening or receipt of proposals in the solicitation document.

If NO RESPONSE is to be submitted, detach this sheet from the solicitation, complete the information requested on the reverse, fold, affix postage, and mail. NO ENVELOPE IS NECESSARY.

Replies must set forth full, accurate, and complete information as required by this solicitation (including attachments). The penalty for making false statements is prescribed in 18 U.S.C. 1001.

3. ISSUING OFFICE (Complete mailing address, including Zip Code)
 Attn: DESC-A
 Defense Energy Support Center
 8725 John J. Kingman Road, Room 3830
 Ft. Belvoir, VA 22060-6222
 Facsimile: (703) 767-8506
 Purchase Program Nos.: 7.1, 7.2, 7.3, 7.4

4. ITEMS TO BE PURCHASED (Brief description)

<u>PRODUCT</u>	<u>ESTIMATED QUANTITY</u>
Direct Supply Natural Gas	95,600,000 Dths

5. PROCUREMENT INFORMATION (X and complete as applicable)

	a. THIS PROCUREMENT IS UNRESTRICTED			
X	b. THIS PROCUREMENT IS A <u>5%</u> SET-ASIDE FOR ONE OF THE FOLLOWING (X One). (See Section I of the Table of Contents in this solicitation for details of the set-aside.)			
X	<table style="width: 100%;"> <tr> <td style="width: 33%; text-align: center;">(1) Small Business</td> <td style="width: 33%; text-align: center;">(2) Labor Surplus Area Concerns</td> <td style="width: 33%; text-align: center;">(3) Combined Small Business/Labor Area Concerns</td> </tr> </table>	(1) Small Business	(2) Labor Surplus Area Concerns	(3) Combined Small Business/Labor Area Concerns
(1) Small Business	(2) Labor Surplus Area Concerns	(3) Combined Small Business/Labor Area Concerns		

6. ADDITIONAL INFORMATION:

a. **CLOSING:** The closing date and time for this solicitation is **May 11, 2000, at 3:00 P.M. local time, Fort Belvoir, VA.**
 Offers received after date and time specified above will be considered late in accordance with Clause L2.08-2, INSTRUCTIONS TO OFFERORS – COMMERCIAL ITEMS (NATURAL GAS).

b. **PAST PERFORMANCE SUBMISSION:** Due no later than close of business on **April 25, 2000**. Offerors are requested to submit the past performance information on the Experience with End Users form (Attachment III). Past Performance submissions may be transmitted via facsimile to (703) 767- 8506. The number for facsimile submissions is 703/767-8506. In order for offerors to verify receipt of this facsimile submission, the telephone verification number is 703/767-8758.

c. **INITIAL OFFERS: Initial offers must be submitted either by mail or handcarried to:**

Attn: Bid Custodian DESC-CPC, Room 3815
 Defense Energy Support Center
 8725 John J. Kingman Road
 Ft. Belvoir, VA 22060-6222

Facsimile offers will NOT be accepted for initial offer submission on May 11, 2000

(CONTINUED)

7. POINT OF CONTACT FOR INFORMATION

a. NAME (Last, First, Middle Initial) Brown, Libby/ Welsh, Laura/ Wilkinson, Patrician Fairly, Jeannine/Karl, Kathrine/Yankosky, Karen Phone: (703)767-8565/-8538/-8545 (703)767-8563/-8589/-8558	b. ADDRESS (Including Zip Code) Attn: DESC-A Defense Energy Support Center 8725 John J. Kingman Rd., Room 3830 Ft. Belvoir, VA 22060-6222
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DD Form 1707, MAR 90

Previous editions are obsolete

461/082

8. REASONS FOR NO RESPONSE (X all that apply)			
<input type="checkbox"/>	a. CANNOT COMPLY WITH SPECIFICATIONS		<input type="checkbox"/> b. CANNOT MEET DELIVERY REQUIREMENTS
<input type="checkbox"/>	c. UNABLE TO IDENTIFY THE ITEM(S)		<input type="checkbox"/> d. DO NOT REGULARLY MANUFACTURE OR SELL THE TYPE OF ITEMS INVOLVED
<input type="checkbox"/>	e. OTHER (Specify)		
9. MAILING LIST INFORMATION (X one)			
<input type="checkbox"/>	YES	<input type="checkbox"/> NO	WE DESIRE TO BE RETAINED ON THE MAILING LIST FOR FUTURE PROCUREMENT OF THE TYPE OF ITEM(S) INVOLVED.
10. RESPONDING FIRM			
a. COMPANY NAME		b. ADDRESS (Including Zip Code)	
		E-mail address:	
c. ACTION OFFICER			
(1) Typed or Printed Name (Last, First, Middle Initial)	(2) Title	(3) Signature	(4) Date Signed (YYYYMMDD)

DD Form 1707 Reverse, MAR 90

FOLD

FOLD

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FROM

AFFIX
STAMP
HERE

SOLICITATION NUMBER	
SP0600-00-R-0075	
DATE (YYMMDD)	LOCAL TIME
000511	3:00 PM

TO: Attn: Bid Custodian DESC-CPC, Room 3815
Defense Energy Support Center
8725 John J. Kingman Rd.,
Ft. Belvoir, VA 22060-6222

d. **AWARDS MAY BE MADE ON INITIAL OFFERS:** Therefore, the offeror's initial submission should contain the offeror's best terms from cost or price, technical and socioeconomic commitment standpoints. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary.

e. **PRICING STRATEGY:** Contracts awarded as a result of this solicitation will be Fixed Price with Economic price Adjustment. The Fixed Price with Economic Price Adjustment quantities will be indexed on spot market prices as described in Clause B700, ECONOMIC PRICE ADJUSTMENT – MARKET PRICE AND TRANSPORTATION (NATURAL GAS). **Please note the supply and transportation adjustment factors shall be submitted in a different format than previous solicitations.** The supply and transportation adjustment factors will not be requested as separate pricing elements. **Offerors should combine their respective supply and transportation factors and offer a winter and summer adjustment factor.** Offerors are also required to include the applicable Transport Fuel Factor (TFF) pipeline charges in their respective adjustment factors. The Transport Fuel Factor pipeline charges will not be included as a separate indexed price under the resultant contracts. Any Local Distribution Company (LDC) fuel loss will be addressed by notes in the schedule.

f. **CONTRACT PERIOD:** **Please note that the delivery period varies between Line Items and may be one or two years in duration.** Refer to the Index of Line Items for a complete summary of contract periods.

g. **WINTER/SUMMER:** The Summer months are defined as April through October. The Winter months are defined as November through March.

h. **PIPELINE TARIFF RATE ADJUSTMENTS:** Please note that, in accordance with Clause H704, TRANSPORTATION DISCOUNTS AND REFUNDS and paragraph (c) of B700, ECONOMIC PRICE ADJUSTMENT – MARKET PRICE AND TRANSPORTATION (NATURAL GAS), an offeror must submit worksheets along with its offer that include a breakdown of costs clearly showing how the adjustment factors were derived, to allow future price adjustments in any resultant contract in the event of tariff rate changes. If an offeror chooses not to submit these worksheets prior to any contract award, the adjustment factors shall remain fixed regardless of increases or decreases in published tariff rates.

i. **OFFEROR SUBMISSION PACKAGE:** The offeror must submit all documentation and certifications required by this solicitation. Initial offers should include all necessary/pertinent requirements as indicated in the Offeror Submission Package (Attachment I) and Clause L2.08-2, INSTRUCTIONS TO OFFERORS – COMMERCIAL ITEMS (NATURAL GAS), paragraph (c)(9). This package must be completed and returned in order to constitute a valid offer. Copies of all documents submitted must be exactly the same as the original. All documentation must be received by the Offer Due Date listed in Block 8 of the Standard Form 1449 (Solicitation, Contract/Order for Commercial Items): **May 11, 2000, 3:00pm local time Ft. Belvoir, VA.**

Initial offers shall consist of:

- ☐ SF 1449 (pg 1 of the Solicitation) or equivalent alternate document in accordance with Clause L2.08-2 paragraph (c)(9)(i)
- ☐ Representations and certifications (Offerors Submission Package – Attachment 1)
- ☐ Prices
- ☐ Technical Experience form (Attachment II)
- ☐ Experience with End Users form (Attachment III) **(due April 25, 2000)**
- ☐ Socioeconomic Commitment form (Attachment IV)
- ☐ Subcontracting Plan (refer to Attachment V)

j. **SUBCONTRACTING PLAN:** A subcontracting plan is required of "Other than Small Business and Small Disadvantaged Business Concerns" (Large Businesses of over 500 employees) if the proposed contract exceeds \$500,000. Please refer to Federal Acquisition Regulation (FAR) 52.219-9, Attachment V of the Offeror Submission Package. For questions regarding small business matters, contact Ms. Kathy Williams at the DESC Small Business Office, telephone (703) 767-9400 or 1-800-523-2601. Failure to submit a subcontracting plan, which is subject to negotiation, shall render the offeror ineligible for award of a contract.

k. **BEST VALUE:** Under this solicitation, awards will be made to the offerors whose proposals represent the "best value" to the Government. Offerors will be rated on established evaluation standards as outlined in Clause M700, EVALUATION FOR AWARD. The Government intends to make awards based on initial offers, but may enter into discussions if necessary.

l. **Line Items 4001 - Hill AFB, UT and 4002 Tooele Army Depot, UT** are set aside for exclusive small business competition, and are tied together. Subline Items 200602 – Vance AFB, OK and 202102 – NAS Pensacola, FL and Line Items 3039 through 3043 – various Veterans' Administration Medical Centers in KS, IL and MO, are being solicited separately under the 8(a) program for small disadvantaged businesses. However, if these line items are not awarded under the 8(a) program, they will be awarded in accordance with procedures outlined in Clause L2.08-2, INSTRUCTIONS TO OFFERORS – COMMERCIAL ITEMS (NATURAL GAS). All other Line Items are unrestricted.

m. **AMENDMENTS:** Offerors must acknowledge receipt of all amendments to the solicitation by signing and returning each amendment or by providing written acknowledgment of receipt and acceptance.

n. **PREAWARD SURVEY:** DESC routinely conducts Preaward Surveys to help determine each offeror's ability to perform under the terms and conditions of the contract. The Preaward Survey does not imply that the offeror is in line for an award.

o. **CONTRACT TYPE:** Contracts awarded as a result of this solicitation will be Requirements Type - Fixed Price with Economic Price Adjustment contracts. Firm Fixed Price contracts will be awarded monthly for Line Items against which Basic Ordering Agreements will be issued. Monthly delivery orders will be issued no later than one working day prior to the pipeline nomination deadline for the delivery month.

p. Any contract awarded to an offeror who, at the time of award was suspended, debarred, or ineligible for receipt of contracts with Government agencies, or who was in receipt of a proposed debarment from any Government agency, is void at the option of the Government.

q. **POSTAWARD CONFERENCE:** The successful offeror may be asked to attend a Postaward Conference at the installation or at the Defense Energy Support Center, Fort Belvoir, Virginia, to discuss various aspects of the contract.

r. **CENTRAL CONTRACTOR REGISTRATION (CCR):** Clause I1.07, REQUIRED CENTRAL CONTRACTOR REGISTRATION, requires contractors to register in the Department of Defense Central Contractor Registration database. The CCR is a central repository of trading partner information about firms qualified to conduct business with the Federal Government. Contractors register on a one-time basis and confirm on an annual basis that their CCR registration is complete and accurate. Offerors may obtain information on registration and annual confirmation requirements by calling 1-888-227-2423 or via the internet at: <http://www.ccr2000.com>. **Lack of registration in the CCR will render an offeror ineligible for award.**

s. **DUNS NUMBER:** Offerors are requested to include their Data Universal Numbering System (DUNS) number on the offer cover sheet or on the SF1449. Refer to Paragraph (i) of Clause L2.08-2, INSTRUCTIONS TO OFFERORS – COMMERCIAL ITEMS NATURAL GAS).

t. **RIGHT NOT TO AWARD:** The Government reserves the right not to award any line item solicited in the RFP, if it is determined after receipt of initial offers that award would not be in the best interest of the Government.

u. **SOLICITATION POINTS OF CONTACT:** For clarification, explanation, or additional information regarding this solicitation, please contact:

Libby Brown	(703) 767-8565	lebrown@desc.dla.mil
Jeannine Fairly	(703) 767-8563	jfairly@desc.dla.mil
Kathrine Karl	(703) 767-8589	kkarl@desc.dla.mil
Laura Welsh	(703) 767-8538	lwelsh@desc.dla.mil
Patrician Wilkinson	(703) 767-8545	pwilkinson@desc.dla.mil
Karen Yankosky	(703) 767-8558	kyankosky@desc.dla.mil

v. **EMERGENCY POINT OF CONTACT:** DESC point of contact and telephone number for emergency situations after duty hours:
Command Control Center
(703) 767-8420

w. **NO RESPONSE:** If your firm does not intend to submit an offer on this solicitation, please detach the cover sheet of the DD Form 1707, complete the information on the reverse and include your e-mail address, fold and affix postage, and mail to DESC. No envelope is necessary. Failure to respond may result in your removal from our mailing list.

x. **WEB SITE:** This solicitation is available under the DESC Natural Gas Home Page on the Internet at:

<http://www.desc.dla.mil/main/a/gas/sol75.htm>

Please review this website periodically for any amendments to this solicitation.

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30a, b & c				1. REQUISITION NUMBER SC0600-00-0717, -0718, -0719, -0720, -0721, -0723, -0724, -0725, -0726 and Amd's		PAGE 1 of 185	
2. CONTRACT NUMBER		3. AWARD/EFFECTIVE DATE		4. ORDER NUMBER		5. SOLICITATION NUMBER SP0600-00-R-0075	
6. SOLICITATION ISSUE DATE April 11, 2000		7. FOR SOLICITATION INFORMATION CALL: a. NAME Libby Brown/Laura Welsh/Patricia Wilkinson (DESC-AEP) Jeannine Fairly/Kathrine Karl/Karen Yankosky (DESC-AWP)		b. TELEPHONE NUMBER (no collect calls) 703/767-8565/8538/8545 703/767-8563/8589/8558		8. OFFER DUE DATE/LOCAL TIME May 11, 2000/3:00pm	
9. ISSUED BY CODE SC0600 DEFENSE ENERGY SUPPORT CENTER DESC-AEP/AWP 8725 John J. Kingman Road, Suite 4950 P.P. 7.1, 7.2, 7.3, 7.4 FT BELVOIR, VA 22060-6222 BUYERS/SYMBOL: Libby Brown/Laura Welsh/Patricia Wilkinson (DESC-AEP) Jeannine Fairly/Kathrine Karl/Karen Yankosky (DESC-AWP) PHONE: 703/767-8565/8538/8545 FAX: 703/767-8506 703/767-8563/8589/8558 EMAIL: lebrown@desc.dla.mil lwelsh@desc.dla.mil pwilkinson@desc.dla.mil jfairly@desc.dla.mil kkarl@desc.dla.mil kyankosky@desc.dla.mil				10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED <input checked="" type="checkbox"/> SET ASIDE 5% FOR <input checked="" type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> SMALL DISADV BUSINESS <input checked="" type="checkbox"/> 8(A) for total Small Business and 8(A) dollars in % SIC: 1311 SIZE STANDARD: 500		11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input checked="" type="checkbox"/> SEE SCHEDULE 13a. THIS CONTRACT IS RATED ORDER UNDER DPAS (15 CFR 700) 13b. RATING 14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP	
15. DELIVER TO CODE SEE CLAUSE B1.06				16. ADMINISTERED BY CODE See Block 9			
17a. CONTRACTOR / OFFEROR CODE Phone: _____ Fax: _____				18a. PAYMENT WILL BE MADE BY CODE To be provided at time of award			
[] 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER				18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a. UNLESS BLOCK BELOW IS CHECKED [] SEE ADDENDUM			
19. ITEM NO.		20. SCHEDULE OF SUPPLIES/SERVICES		21. QUANTITY		22. UNIT	
		*See Clause B1.06, SUPPLIES TO BE FURNISHED (NATURAL GAS)					
25. ACCOUNTING AND APPROPRIATION DATA						26. TOTAL AWARD AMOUNT (For Govt. Use Only)	
<input checked="" type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA <input checked="" type="checkbox"/> ARE [] ARE NOT ATTACHED. <input type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA [] ARE [] ARE NOT ATTACHED.							
<input checked="" type="checkbox"/> 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 2 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.				<input type="checkbox"/> 29. AWARD OF CONTRACT: REFERENCE _____ OFFER DATED _____. YOUR OFFER ON SOLICITATION SP0600-00-R-0075 , INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS: _____.			
30a. SIGNATURE OF OFFEROR/CONTRACTOR				31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)			
30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT)			30c. DATE SIGNED		31b. NAME OF CONTRACTING OFFICERS (TYPE OR PRINT) PAMELA J. GRIFFITH & ELIZABETH R. PESENTI		31c. DATE SIGNED
32a. QUANTITY IN COLUMN 21 HAS BEEN [] RECEIVED [] INSPECTED [] ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED				33. SHIP NUMBER		34. VOUCHER NUMBER	
				[] PARTIAL [] FINAL			
32b. SIGNATURE OF AUTHORIZED GOVT. REPRESENTATIVE				32c. DATE		35. AMOUNT VERIFIED CORRECT FOR	
32b. SIGNATURE OF AUTHORIZED GOVT. REPRESENTATIVE				32c. DATE		37. CHECK NUMBER	
41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT				36. PAYMENT [] COMPLETE [] PARTIAL [] FINAL		40. PAID BY	
				38. S/R ACCOUNT NUMBER		39. S/R VOUCHER NUMBER	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER				41c. DATE		42a. RECEIVED BY (Print)	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER				42b. RECEIVED AT (Location)			
				42c. DATE REC'D (YY/MM/DD)		42d. TOTAL CONTAINERS	

INDEX OF LINE ITEMS SOLICITED

<u>LINE ITEM:</u>	<u>ULTIMATE DELIVERY TO:</u>	<u>TIED WITH:</u>	<u>DEL PERIOD:</u>	<u>PAGE:</u>
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NORTHEAST REGIONBasic Ordering Agreements:

1001	Installations behind Washington Gas Light Company		Monthly	12-13
1002	Installations behind Virginia Natural Gas		Monthly	14
1003	Installations behind Baltimore Gas and Electric		Monthly	14-15
1013	Quantico, VA		Monthly	15
1014	Portsmouth Naval Hospital, VA		Monthly	15

Contract Line Items:

1004	Watervliet Arsenal, NY	1005/1006	2 year	16-17
1005	Ft. Drum, NY	1004/1006	2 year	18-19
1006	Knolls Atomic Power, NY	1004/1005	2 year	20
1007	DOE Princeton		1 year	21
	VAMC Lyons, NJ		2 year	21
1008	Bureau of Prisons, FCI McKean, PA		2 year	22
1009	West Valley Nuclear, NY		2 year	23-24
1011	Picatinny Arsenal, NJ		2 year	25
1012	Ft. Lee, VA		2 year	26
1015	US Army Natick, MA		2 year	27
1016	Ft. Meade, MD		1 year	28
1018	Subase New London, CT		2 year	29
1019	Westover, MA		2 year	30
1023	USP Lewisburg, PA		2 year	31
1024	Naval Station Newport, RI		1 or 2 year	32-33

LINE ITEM: ULTIMATE DELIVERY TO: TIED WITH: DEL PERIOD: PAGE:

NORTHEAST REGION (continued)

1025	US Army Research Lab, Adelphi, MD (Admin)	2 year	34-35
	Walter Reed Army Med Ctr (Hume Drive)	2 year	34-35
	Walter Reed Army Med Ctr (Linden)	2 year	34-35
	Ft. Detrick, MD	2 year	34-35
	Andrews AFB, MD	2 year	34-35
	US Army Research Lab, Adelphi, MD (Bldg 504)	2 year	34-35
1027	RI ANG / Quonset State Airport, RI	2 year	36-37
1028	McGuire AFB, NJ	1 year	38
1029	Ft. Dix, NJ	2 year	39-40

SOUTH REGION

Basic Ordering Agreements:

2001	Installations behind South Carolina Electric & Gas	Monthly	41
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Contract Line Items:

2002	Ft Hood, TX	1 year	42-43	
	NAS-Ft Worth Joint Reserve Base, TX	1 year	42-43	
	Sheppard AFB, TX	1 year	42-43	
	Goodfellow AFB, TX	1 year	42-43	
	Dyess AFB, TX	1 year	42-43	
2003	Altus AFB, OK	1 year	44	
2004	McAlester Army Ammunition Plant, OK	2 year	45	
2005	Ft. Sill, OK	1 or 2 year	46-47	
2006	Tinker AFB, OK	1 year	48-49	
	Vance AFB, OK [8a]	1 year	48-49	
2007	DOE Pantex Plant, TX	1 year	50	
2008	DOE Sandia / Kirtland AFB, NM	2009	2 year	51-53
2009	DOE Los Alamos National Lab, NM	2008	2 year	54
2010	Cannon AFB, NM	1 year	55	
2011	Holloman AFB, NM	1 year	56	
	White Sands Missile Range, NM	1 year	56	
2012	MCAS Yuma, AZ	1 year	57	
	Davis Monthan AFB, AZ	2 year	57	
	Luke AFB, AZ	2 year	57	

<u>LINE ITEM:</u>	<u>ULTIMATE DELIVERY TO:</u>	<u>TIED WITH:</u>	<u>DEL PERIOD:</u>	<u>PAGE:</u>
<u>SOUTH REGION (continued)</u>				
2013	Naval Station Ingleside, TX	2014	1 year	58
2014	VAMC Nashville, TN	2013	1 year	59
2016	Lone Star Army Ammunition Plant, TX	2017	1 year	60
	Red River Army Depot, TX	2017	1 year	60
2017	Pine Bluff Arsenal, AR	2016	2 year	61
2018	Tyndall AFB, FL	2019	2 year	62-63
2019	NAS Jacksonville, FL	2018	2 year	64
	NS Mayport, FL	2018	2 year	64
2020	Patrick AFB, FL		1 year	65
	Kennedy Space Center, FL		1 year	65
	Cape Canaveral Air Force Station, FL		1 year	65
2021	Ft. Polk, LA		1 year	66-67
	NAS Pensacola, FL [8a]		1 year	66-67
2022	Charleston AFB, SC		1 year	68
2024	Marine Corps Logistics Base, GA		2 year	69
2026	DOE Oakridge, TN		1 year	70
2031	Atlanta Gas Light - Brunswick Pool		1 year	71-73
2032	Atlanta Gas Light - Savannah Pool		1 year	71, 74
2033	Atlanta Gas Light - Augusta Pool		1 year	71, 75-76
2034	Atlanta Gas Light - Atlanta Primary Pool		1 year	71, 77-78
2035	Atlanta Gas Light - Ex-Atlanta Transco Pool		1 year	71, 79
2036	Atlanta Gas Light - Valdosta Pool		1 year	71, 80
2037	Atlanta Gas Light - Ex-Atlanta SNG Pool		1 year	71, 81
2038	Atlanta Gas Light - Macon Pool		1 year	71, 82
2039	Atlanta Gas Light - Rome Pool		1 year	71, 83
2040	Little Rock AFB, AR		2 year	84
2042	Seymour Johnson AFB, NC		1 year	85
2043	FCI Butner, NC		1 year	86
<u>CENTRAL REGION</u>				
3002	National Imaging Mapping Agency, MO		2 year	87
3003	Scott AFB, IL		1 year	88
3004	Lake City Ammunition Plant, MO		1 year	89
3005	Whiteman AFB, MO		2 year	90

<u>LINE ITEM:</u>	<u>ULTIMATE DELIVERY TO:</u>	<u>TIED WITH:</u>	<u>DEL PERIOD:</u>	<u>PAGE:</u>
<u>CENTRAL REGION (continued)</u>				
3006	McConnell AFB, KS		2 year	91
3007	Sunflower Army Ammunition Plant, KS		1 year	92
3008	Ft. Leavenworth, KS		2 year	93
3009	U.S. Penitentiary, KS		1 year	94
3010	DOE Kansas City, MO		2 year	95
3012	Ft. Riley, KS		2 year	96
3015	Rocky Mount Arsenal, CO		2 year	97
3016	DFAS Denver, CO		2 year	98
3017	DOE Rocky Flats, CO		2 year	99
3018	DOE Grand Junction, CO		1 year	100
3019	Schriever AFB, CO		2 year	101
3021	DOE Mound, OH		1 or 2 year	102-103
3022	Defense Supply Center, OH	3036	2 year	104
3023	DOE Fernald, OH		1 or 2 year	105-106
3024	Ft. Knox, KY		2 year	107
3026	GSA Detroit, MI		1 year	108
	EPA Ann Arbor, MI		2 year	108
3028	Grissom Air Reserve Base, IN		2 year	109
3030	NETC Great Lakes, IL		1 or 2 year	110-117
	Ft. Sheridan, IL		1 or 2 year	110-117
3031	DOE Fermi, IL	3032	2 year	118
3032	DOE Argonne, IL	3031	2 year	119
3033	U.S. Railroad Retirement Board, IL		2 year	120
3035	Rock Island Arsenal, IL		1 year	121
3036	DFAS Columbus, OH	3022	2 year	122
3039	VAMC Topeka, KS [8a]		2 year	123-124
	VAMC Wichita, KS [8a]		1 year	123-124

<u>LINE ITEM:</u>	<u>ULTIMATE DELIVERY TO:</u>	<u>TIED WITH:</u>	<u>DEL PERIOD:</u>	<u>PAGE:</u>
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3040	VAMC Marion, IL [8a]		2 year	125
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II.	TECHNICAL EXPERIENCE FORM
III.	PAST PERFORMANCE SUBMISSION (EXPERIENCE WITH ENDUSERS FORM)
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Continuation of Standard Form 1449 (Blocks 19-24: The Schedule):**B1.06 SUPPLIES TO BE FURNISHED (NATURAL GAS) (DESC MAR 1998)**

(a) The contract quantities shown below are best estimates only of the Government's requirements for the contract period. The Contractor shall furnish all labor, material, tools, equipment, and incidentals to supply and deliver direct supply natural gas as defined in the STATEMENT OF WORK/SPECIFICATIONS clause. Contract performance shall be accomplished in accordance with the terms and conditions of this contract.

(b) As used throughout this contract, **Dth** means dekatherm; **USD** means U.S. Dollars.

(c) The National Stock Number (NSN) that applies to direct supply natural gas is 6830-01-318-5797.

(d) Prices indicated hereunder must include all applicable interstate/intrastate pipeline fuel loss and, where requested, must also include Local Distribution Company (LDC) fuel loss.

(e) Prices indicated hereunder as fixed price with Economic Price Adjustment are subject to the ECONOMIC PRICE ADJUSTMENT clause.

(f) Orders may be issued in writing, orally, or by written telecommunications.

(g) For multiyear procurements only, offerors must submit an offer for the total quantity of the multiyear requirement.
(DESC 52.207-9F70)

SPECIAL NOTES:

Note 1: Glossary of Additional terms and acronyms used throughout the solicitation:

EQ	Estimated Quantities with indexed pricing
MDQ	Maximum Daily Quantity
DCQ	Daily Consumption Quantity
ADQ	Average Daily Quantity
ADDQ	Average Daily Delivery Quantity

Note 2: Clause B1.06, SUPPLIES TO BE FURNISHED, is numbered on a regional basis. Northeast line items begin with the number 1, South line items begin with the number 2, Central line items begin with the number 3, and West line items begin with the number 4.

Note 3: In accordance with Clause C700, STATEMENT OF WORK/SPECIFICATIONS, gas supply is considered firm.

Note 4: For line items indicating a requirement for supply management, the contractor is responsible for providing supply management in accordance with clause C703, STATEMENT OF WORK FOR SUPPLY MANAGEMENT.

Note 5: For line items indicating a requirement for billing services, the contractor is responsible for providing this service in accordance with clause G702, BILLING SERVICES.

Note 6: For line items requiring delivery on a limited interruptible basis, see Clause F700, DELIVERIES AND PERFORMANCE and F701, CURTAILMENTS, CAPACITY RECALLS AND CONSTRAINTS.

Note 7: Offers must be for the total Government requirement for each line item. Offers for less than the total requirement for a given line item will not be considered. Line Items 4009-1, 4009-2, 4010-1, and 4010-2 for the Northwest allow a variation to this requirement.

Note 8: Where seasonal natural gas storage facilities are made available to transport customers of the LDC, ordering patterns under contracts resulting from this solicitation may not necessarily equate to the consumption data estimates.

Note 9: Tied Line Items: Initial offers for some items in tied groups will receive technical evaluation but will not be considered for award unless the tied group is dissolved, and upon request the Contractor submits an offer for the remaining item(s).

Note 10: The Basic Ordering Agreement (BOA) line items are open for receipt of initial offers from the date of issuance of this solicitation until issuance of a follow-on solicitation containing the same installations, at which time that follow-on solicitation takes precedence. The effect of this provision is that BOA line items are open continuously, and that contractors may submit an offer applying for a BOA at any time. Such offers should be submitted under the solicitation, which is most current at time of submission of the offer. If an offeror is awarded a BOA, and subsequently chooses to submit additional technical, past performance and/or socioeconomic information, the Government will evaluate that information to determine whether it affects the offeror's existing source selection ratings. This subsequent evaluation will be accomplished in accordance with the original source selection standards. In order for revised ratings to be considered under monthly awards, the offeror must submit the additional information at least 21 calendar days prior to the closing date for offers under that award. This additional information will NOT be clarified or negotiated, but must stand on its own merit.

Note 11: Line Items 4001, and 4002 are set aside for exclusive small business competition.

Note 12: Application of 10% Evaluation Preference: If a responsible Small Disadvantaged Business (SDB) concern or HUBZone Small Business concern offers, proposing to provide product from a small domestic business producer and not waiving the 10% evaluation preference applicable to Federal Civilian Agency installations (or non-Department of Defense (DoD) installations), the evaluation preference will be applied only to the non-DoD sub-line item locations supported by the line item

COMMERCIAL ITEM PROVISIONS

**K1.01-10 OFFEROR REPRESENTATIONS AND CERTIFICATIONS - COMMERCIAL ITEMS
(ALTS I/III) (OCT 1999/OCT 1998/JAN 1999)**

OSP

**K1.05 OFFEROR REPRESENTATIONS AND CERTIFICATIONS – COMMERCIAL ITEMS
(NATURAL GAS)(NOV 1995)**

OSP

L2.08-2 INSTRUCTIONS TO OFFERORS - COMMERCIAL ITEMS (NATURAL GAS) (DESC MAR 2000)

(a) **STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODE AND SMALL BUSINESS SIZE STANDARD.** The SIC code and small business size standard for this acquisition appear in Block 10 of the solicitation cover sheet (Standard Form (SF) 1449). However, the small business size standard for a concern that submits an offer in its own name, but that proposes to furnish an item it did not itself manufacture, is 500 employees.

(b) **AMENDMENTS TO SOLICITATIONS.** If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

(c) **SUBMISSION, MODIFICATION, REVISION, AND WITHDRAWAL OF OFFERS.**

(1) Offers in response to this solicitation shall be submitted to the following address:

ATTN: DESC-CPC ROOM 3815
DEFENSE ENERGY SUPPORT CENTER
8725 JOHN J KINGMAN ROAD SUITE 4950
FORT BELVOIR VA 22060-6222

(2) Offers in response to this solicitation must be received prior to the solicitation closing date.

(3) Proposals submitted in response to this solicitation shall be in English and in U.S. dollars.

(4) Offers that fail to furnish required signatures, representations information, or that reject any of the terms, conditions, and provisions of the solicitation may be excluded from consideration.

(5) **INITIAL OFFERS.** Offerors must submit initial offers via mail or handcarry the proposal in response to this solicitation. Facsimile initial offers will not be accepted. However, all other submissions may be submitted via facsimile. The initial offer must consist of all of the proposal elements outlined in (9) below.

(6) **FACSIMILE PROPOSALS.**

(i) **DEFINITION.** Facsimile proposal, as used in this paragraph, means a proposal, revision or modification of a proposal, or withdrawal of a proposal that is transmitted to and received by the Government via facsimile machine.

(ii) The Government reserves the right to make award solely on the facsimile offer. However, if requested to do so by the Contracting Officer, the apparently successful offeror(s) agree(s) to promptly submit the complete, original, and signed proposal.

(iii) Facsimile receiving data and compatibility characteristics are as follows:

(A) Telephone number of the receiving facsimile equipment is (703) 767-8506.

(B) The Defense Energy Support Center's receiving equipment is Xerox Telecopier 7033. The receiving speed coincides with the applicable sending machine. Each FAX is required to include the following information on a cover sheet or at the top of the first page:

TO: (Name and office symbol, i.e., Mary Smith, DESC-AW)
FROM: (Originator's name, complete company name and address)
Verification number: (Originator's phone number and FAX number)
Description: (Solicitation number)
Number of pages:

(iv) If any portion of a facsimile proposal received by the Contracting Officer is unreadable to the degree that conformance to the essential requirements of the solicitation cannot be ascertained from the document, then--

(A) The Contracting Officer shall immediately notify the offeror and permit the offeror to resubmit the proposal;

(B) The method and time for resubmission shall be prescribed by the Contracting Officer after consultation with the offeror; and

(C) The resubmission shall be considered as if it were received at the date and time of the original unreadable submission for the purpose of determining timeliness, provided the offeror complies with the time and format requirements for resubmission prescribed by the Contracting Officer.

(7) **PROPOSALS BY MAIL.** Signed and dated offers and modifications thereto may be submitted via paper media in sealed envelopes or packages (i) addressed to the office specified in the solicitation and (ii) showing the time and date specified for receipt, the solicitation number, and the name and address of the offeror. Offers must be received on or before the exact closing date and time specified in this solicitation. Offerors using commercial carriers should ensure that the offer is marked on the outermost wrapper with the information as specified in this subparagraph (7). Offers may be submitted on the SF 1449 or letterhead stationery.

(8) **HANDCARRIED OFFERS.** Any handcarried offer must be received at the depository indicated on the SF 1449 of this solicitation by the date and time specified for receipt of offers. Evidence to establish the time of receipt at the Government installation is the time/date stamp of that installation on the solicitation wrapper or other documentary evidence of receipt maintained by the installation.

(9) **PROPOSAL ELEMENTS.** The offeror's proposal must include--

(i) SF 1449, Solicitation, Contract, Order for Commercial Items, with Blocks 17a and b, and 30a through 30c completed. By completing Blocks 30a through 30c, the offeror agrees to the terms and conditions of the RFP, unless exceptions are clearly identified in a cover letter submitted with the initial proposal. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office. NOTE: If the offer is not submitted on the SF 1449, include a statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation. Offers that fail to furnish required representations or information or that reject the terms and conditions of the solicitation may be excluded from consideration.

(ii) A completed copy of the representations and certifications in the Offeror Submission Package.

(iii) All documents required by the terms and conditions of the RFP, include all pertinent attachments that require completion, and supply commitment letters, when requested.

(iv) A Technical Submission to consist of a Technical Experience Form. To substantiate meeting the evaluation criteria of the solicitation, the offeror shall complete the Technical Experience Form (attached to the solicitation). Offerors are required to describe experience in transporting natural gas and in performing supply management as described in the SUPPLY MANAGEMENT (NATURAL GAS) clause of this solicitation. Submissions must be in the required format; however offerors are not limited to the space provided. Only information provided in response to this Technical Experience Form will be evaluated.

(v) Offer prices in the form of adjustment factors must be submitted by filling in the spaces provided in the SUPPLIES TO BE FURNISHED (NATURAL GAS) clause. Please refer to the ECONOMIC PRICE ADJUSTMENT clause for definitions. An offeror must propose to supply the total line item for ultimate delivery to the Government installation/agency identified in the Schedule. Failure to offer the total line item quantity for each item within an aggregate group will preclude Government evaluation and award to the offeror for that aggregate group.

(vi) Names, titles, and telephone and facsimile numbers (and electronic addresses, if available) of persons authorized to negotiate with the Government on the offeror's behalf in connection with this solicitation. The offeror or quoter represents that the following persons are authorized to negotiate on its behalf with the Government in connection with this request for proposals or quotations:

_____	_____
_____	_____
_____	_____

(vii) **PAST PERFORMANCE INFORMATION.** *****SUBMISSION DUE 25 APRIL 2000*****. Past performance information to include recent and relevant contracts for the same or similar requirements (include points of contact with telephone numbers) over the past two years. The offeror shall provide relevant past performance information to support demonstrated experience and capabilities relevant to its technical proposal as described in (iv) above. Information collected in Experience with End-Users (Past Performance) Form or past performance data available to the Government may be used in the evaluation of past performance. By submitting the Experience with End-Users documentation, the offeror agrees to permit the Government's representatives to contact the customers listed and inquire about the past performance of the offeror. The offeror will be given an opportunity to address negative past performance information on which the offeror has not previously had an opportunity to comment. The offeror's recent contracts may be examined to ensure that corrective measures have been put in place to prevent the recurrence of past performance problems. Prompt actions taken by the offeror to correct performance problems may be a reflection of management concern for customer

satisfaction. However, such action may not mitigate all negative performance trends. Also, the offeror shall describe any past efforts to subcontract with small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses. The offeror shall include a statement identifying both highly successful subcontracting efforts and any regulatory or subcontracting plan noncompliance.

(viii) **SOCIOECONOMIC SUBMISSION.** Provide a description of the efforts to be made to assure that small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses will have an equal opportunity to compete for subcontracts under any resultant contract. Describe any partnering arrangements with such companies and include specific names to the extent they are known.

(ix) **EVIDENCE OF RESPONSIBILITY.** In addition to the general responsibility criteria set forth in FAR 9.104--

(A) To be determined responsible, a company and/or its key personnel must possess a minimum of **one year's experience** (within the past two years) in providing and managing supply and firm transportation of natural gas under contract(s) of similar quantities and load. If the company and/or its key personnel do not possess at least one year of experience, the company **will not be considered for award**. A description of the company's experience shall be submitted with the technical/management proposal as described previously.

(B) For firm transportation, the company must possess, or demonstrate the ability to obtain, transportation agreements in the company's name as the shipper of record on the pipeline(s) delivering direct supply natural gas to the locations specified in the Schedule. Failure to document the ability to be the shipper of record on the pipeline(s) used in the performance of the contract shall render the offeror nonresponsible.

(C) If the offeror intends to use released firm capacity, it must pass the creditworthiness evaluation of the applicable pipeline and show evidence that it has been designated as an authorized replacement shipper. Transportation arrangements whereby the offeror utilizes "off electronic bulletin board" deals are prohibited.

(D) In addition, the Government may conduct preaward surveys in accordance with FAR 9.106 and obtain, from available sources, relevant information concerning the offeror's ability to satisfy the responsibility standards stated in this provision and FAR Part 9.

(10) **TABLE OF REQUIRED SUBMISSIONS.** The Contractor is required to submit the number of original documents and copies of proposal elements as detailed in the table below:

PROPOSAL ELEMENTS	LOCATION	ORIGINAL	COPIES
SF 1449 or equivalent alternate document in accordance with paragraph (c)(9)(i)	Attachment I - OSP	1	1
Representations and certifications	Attachment I – OSP	1	1
Prices	See Schedule	1	5
Technical Experience Form	Attachment II	1	5
Past performance information SUBMISSION DUE 25 APRIL 2000	Attachment III	1	1
Socioeconomic submission	Attachment IV	1	3
Subcontracting Plan	See Attachment V for Guidelines	1	1

(11) **MODIFICATION OF PROPOSALS.** Offerors may submit modifications to their proposals at any time before the solicitation closing date and time and may submit modifications in response to an amendment or to correct a mistake at any time before award.

(12) **REVISED PROPOSALS.** Offerors may submit revised proposals only if requested or allowed by the Contracting Officer.

(13) **WITHDRAWAL OF PROPOSALS.** Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.

(d) **PROPOSAL ACCEPTANCE PERIOD.**

(1) **Acceptance period**, as used in this provision, means the number of calendar days available to the Government for awarding a contract from the date specified in this solicitation for receipt of proposals.

(2) This provision supersedes any language pertaining to the acceptance period that may appear elsewhere in this solicitation.

(3) The Government requires a minimum acceptance period of 180 calendar days.

(4) If the offeror specifies an acceptance period that is less than that required by the Government, such offer may be rejected.

(5) The offeror agrees to execute all that it has undertaken to do, in compliance with its offer, if such offer is acceptable to the Government and is accepted within the acceptance period stated in (3) above or within any extension thereof that has been agreed to by the offeror.

(e) **LATE OFFERS.** Offers or modifications of offers received at the address specified for receipt of offers after the exact time specified for receipt of offers will not be considered unless it is the only offer received.

(f) **CONTRACT AWARD.**

(1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation. The Government is not obligated to award any natural gas requirement where the awarded price, based on an economic analysis, is not expected to provide savings when compared to the LDC.

(2) **The Government intends to evaluate offers and award contracts without discussions with offerors.** Therefore, the offeror's initial offer should contain the offeror's best terms from a price and technical standpoint. However, the Government reserves the right to conduct discussions if later determined by the Contracting Officer to be necessary. The Government may reject any or all offers if such action is in the public interest; accept other than the lowest offer; and waive informalities and minor irregularities in offers received.

(3) Exchanges with the offerors after receipt of a proposal do not constitute a rejection or counteroffer by the Government.

(4) Selection for award shall be on a line item by line item basis. More than one award shall not be made for a total line item quantity.

(5) **MULTIPLE AWARDS.** More than one contract award may result from this solicitation. The Government may accept any item or group of items of a proposal, unless the offeror qualifies the proposal by specific limitations. Unless otherwise provided in the Schedule, proposals may not be submitted for quantities less than those specified. The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit prices offered, unless the offeror specifies otherwise in the proposal.

(6) A written award or acceptance of proposal mailed or otherwise furnished to the successful offeror within the time specified in the proposal shall result in a binding contract without further action by either party.

(7) The Government may disclose the following information in postaward debriefings to other offerors:

- (i) The overall evaluated cost or price and technical rating of the successful offeror;
- (ii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection;
- (iii) A summary of the rationale for award; and
- (iv) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror.

(g) PROCEDURES FOR AWARDING FAILED 8(a) RESERVATIONS.

(1) The following requirements have been reserved for negotiations under the provisions of section 8(a) of the Small Business Act (Public Law 85-536).

<u>ITEM NUMBER</u>	<u>DELIVERY POINT</u>	<u>ULTIMATE DELIVERY TO</u>	<u>QUANTITY</u>
200602	FOB to any current and future intrastate supply connections to ONG Transmission Company's system	Vance AFB, OK	90,389
202102	FOB Burnertip NAS Pensacola via Koch Gateway Pipeline	NAS Pensacola, FL	440,150
303901	FOB Citygate Kansas Gas Service & Electric	VAMC Topeka, KS	259,982
303902	FOB Citygate Kansas Gas Service & Electric	VAMC Wichita, KS	51,998
304001	FOB Citygate AMEREN-CIPS	VAMC Marion, IL	71,364
304101	FOB Citygate Laclede Gas Company	VAMC St. Louis (JB), MO	246,622
304102	FOB Citygate Laclede Gas Company	VAMC St. Louis (JC), MO	144,520
304103	FOB Citygate Laclede Gas Company	VAMC Poplar Bluff, MO	34,580
304201	FOB Citygate Missouri Gas Energy	VAMC Kansas City, MO	104,900
304301	FOB Burnertip	VAMC Leavenworth, KS	311,600

(2) If the reservation for Line Items 200602 and 202102 does not result in a contract with the Small Business Administration under the 8(a) program, these items will be awarded to the successful offeror on the corresponding solicitation line item at the successful award price.

(3) If the reservation for Line Items 3039 through 3043 does not result in a contract with the Small Business Administration under the 8(a) program, these items will be recomputed under this solicitation.

(h) **TYPE OF CONTRACT.** The Government contemplates award of a Requirements Type - Fixed Price with Economic Price Adjustment contract resulting from this solicitation, except for line items against which Basic Ordering Agreements will be awarded.

(i) **DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER.** (Applies to offers exceeding \$25,000.) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" followed by the DUNS number that identifies the offeror's name and address. If the offeror does not have a DUNS number, it should contact Dun and Bradstreet to obtain one at no charge. An offeror within the United States may call 1-800-333-0505. The offeror may obtain more information regarding the DUNS number, including locations of local

Dun and Bradstreet Information Services offices for offerors located outside the United States, from the Internet home page at <http://www.dnb.com>. If an offeror is unable to locate a local service center, it may send an email to Dun and Bradstreet at globalinfo@mail.dnb.com.

(FAR 52.212-1, **tailored**/DESC 52.212-9F30)

11.03-6 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (NATURAL GAS) (DESC MAR 2000)

(a) **INSPECTION/ACCEPTANCE.** The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its post-acceptance rights (1) within a reasonable time after the defect was discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item. **Also see Addendum.**

(b) **ASSIGNMENT.** The Contractor or its assignee's right to be paid amounts due as a result of performance of this contract, may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727).

(c) **CHANGES.** Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) **DISPUTES.** This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, DISPUTES, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) **DEFINITIONS.** The clause at FAR 52.202-1, DEFINITIONS, is incorporated herein by reference.

(f) **EXCUSABLE DELAYS.** The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the control of the Contractor and without its fault or negligence, such as acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) **INVOICE.** The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized) to the address designated in the contract to receive invoices. An invoice must include--

- (1) Name and address of the Contractor;
- (2) Invoice date;
- (3) Contract number, contract line item number, and, if applicable, the order number;
- (4) Description, quantity, unit of measure, unit price, and extended price of the item delivered;
- (5) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Government bill of lading;
- (6) Terms of any prompt payment discount offered;
- (7) Name and address of official to whom payment is to be sent; and
- (8) Name, title, and phone number of person to be notified in event of defective invoice.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Contractors are encouraged to assign an identification number to each invoice.

(h) **PATENT INDEMNITY.** The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) **PAYMENT.** Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Prompt payment discount will be applied to the total amount of each invoice. If the Government makes payment by Electronic Funds Transfer (EFT), see FAR 52.212-5(b) for the appropriate EFT clause. In connection with any discount offered for early payment, time shall be computed from the date the invoice was received. For the purposes of computing the discount earned, payment shall be considered to have been made on the date that appears on the payment check or the date on which an EFT was made.

(j) **POSSESSION, TITLE, AND RISK OF LOSS.** Control and possession of, title to and responsibility for, and risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon, delivery of the supplies to the Government at the f.o.b. destination point.

(k) TAXES.

(1) The contract price includes all applicable Federal, State, and local taxes and duties.

(2) **After-Relieved Tax**, as used in this clause, means any amount of state or local taxes or duty, to include the Gross Receipts Tax levied by the District of Columbia under DC Act 11-508 and subsequent temporary or permanent legislation pertaining to the same issue, that would otherwise have been payable on the transactions or property covered by this contract, but which the Contractor is not required to pay or bear, or for which the Contractor obtains a refund or drawback, as the result of legislative, judicial, or administrative action taking effect after the contract date.

(3) The contract price shall be decreased by the amount of any after-relieved state or local taxes to include any after-relieved DC Gross Receipts Tax.

(4) The Contractor shall include on his invoice for deliveries to installations located within the District of Columbia a statement detailing the amount of DC Gross Receipts Tax due for the amount of delivered natural gas as invoiced.

(l) TERMINATION FOR THE GOVERNMENT'S CONVENIENCE.

(1) The Government reserves the right to terminate this contract, or any part thereof, for its sole convenience at any time. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms and conditions of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(2) For certain line items, the contract term is two years. If, for any two-year line item, the Government forecasts that the contract price will exceed the Local Distribution Company price for the second contract year, it is likely that the Government will terminate that line item for the convenience of the Government after one year.

(m) **TERMINATION FOR CAUSE.** The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) **TITLE.** Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) The Contractor expressly warrants and implies that the items delivered hereunder meet or exceed the terms and conditions of the delivery specifications of the LDC receiving the gas on behalf of the Government.

(p) **LIMITATION OF LIABILITY.** Except as otherwise provided by an express or implied warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(q) **OTHER COMPLIANCES.** The Contractor shall comply with all applicable Federal, State, and local laws, executive orders, rules, and regulations applicable to its performance under this contract.

(r) **COMPLIANCE WITH LAWS UNIQUE TO GOVERNMENT CONTRACTS.** The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 327 et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986, 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistle blower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.

(s) **ORDER OF PRECEDENCE.** Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

- (1) The schedule of supplies/services;
- (2) The Assignments; Disputes, Payments; Invoices; Other Compliances; and Compliance with Laws Unique to Government Contracts paragraphs of this clause;
- (3) The clause at 52.212-5;
- (4) Addenda to this solicitation or contract, including any license agreements for computer software;
- (5) Solicitation provisions if this is a solicitation;
- (6) Other paragraphs of this clause;
- (7) Standard Form 1449;
- (8) Other documents, exhibits, and attachments; and
- (9) The specification.

(FAR 52.212-4, **tailored**/DESC 52.212-9F60)

II.04 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS - COMMERCIAL ITEMS (MAY 1999)

(a) The Contractor agrees to comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or executive orders applicable to acquisitions of commercial items:

- (1) 52.222-3, Convict Labor (E.O. 11755); and
- (2) 52.233-3, Protest After Award (31 U.S.C. 3553).

(b) The Contractor agrees to comply with the FAR clauses in this paragraph (b), which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

(Contracting Officer shall check as appropriate.)

☒ 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C. 253g and 10 U.S.C. 2402).

☐ 52.219-3, Notice of Total HUBZone Small Business Set-Aside (Jan 1999).

☒ 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer).

☐ 52.219-5, Very Small Business Set-Aside (Pub. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994). ☐ Alt I. ☐ Alt II.

☒ 52.219-8, Utilization of Small Business Concerns (15 U.S.C. 637(d)(2) and (3)).

☒ 52.219-9, Small Business Subcontracting Plan (15 U.S.C. 637 (d)(4)).

☒ 52.219-14, Limitation on Subcontracting (15 U.S.C. 637(a)(14)).

☒ 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer). ☒ Alt I.

☐ 52.219-25, Small Disadvantaged Business Participation Program - Disadvantaged Status and Reporting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

☐ 52.219-26, Small Disadvantaged Business Participation Program - Incentive Subcontracting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

☒ 52.222-21, Prohibition of Segregated Facilities (Feb 1999).

☒ 52.222-26, Equal Opportunity (E.O. 11246).

☒ 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212).

☒ 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793).

☒ 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212).

☐ 52.225-3, Buy American Act - Supplies (41 U.S.C. 10).

☐ 52.225-9, Buy American Act - Trade Agreements Act - Balance of Payments Program (41 U.S.C. 10, 19 U.S.C. 2501-2582).

☐ 52.225-18, European Union Sanction for End Products (E.O. 12849).

☐ 52.225-19, European Union Sanction for Services (E.O. 12849).

☐ 52.225-21, Buy American Act - North American Free Trade Agreement Implementation Act - Balance of Payments Program (41 U.S.C. 10, Pub. L. 103-187). ☐ Alt I.

☒ 52.232-33, Payment by Electronic Funds Transfer -- Central Contractor Registration (31 U.S.C. 3332).

☐ 52.232-34, Payment by Electronic Funds Transfer -- Other than Central Contractor Registration (31 U.S.C. 3332).

☐ 52.232-36, Payment by Third Party (31 U.S.C. 3332).

☐ 52.239-1, Privacy or Security Safeguards (5 U.S.C. 552a).

☐ 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241).

(c) The Contractor agrees to comply with FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

(Contracting Officer check as appropriate)

☐ 52.222-41, Service Contract Act of 1965, as amended (41 U.S.C. 351, et seq.).

☐ 52.222-42, Statement of Equivalent Rates for Federal Hires (29 U.S.C. 206 and 41 U.S.C. 351 et seq.).

☐ 52.222-43, Fair Labor Standards Act and Service Contract Act - Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C. 206 and 41 U.S.C. 351 et seq.).

☐ 52.222-44, Fair Labor Standards Act and Service Contract Act - Price Adjustment (29 U.S.C. 206 and 41 U.S.C. 351 et seq.).

☐ 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (41 U.S.C. 351 et seq.).

(d) **COMPTROLLER GENERAL EXAMINATION OF RECORD.** The Contractor agrees to comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, AUDIT AND RECORDS - NEGOTIATION.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the DISPUTES clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) and (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by any addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components:

52.222-26, Equal Opportunity (E.O. 11246);

52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212); and

52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793).

52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

(FAR 52.212-5)

II.05 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS (SEP 1999)

(a) The Contractor agrees to comply with the Defense Federal Acquisition Regulation Supplement (DFARS) Clause 252.247-7023, Transportation of Supplies by Sea, which is included in this contract by reference to implement 10 U.S.C. 2631.

(b) The Contractor agrees to comply with any clause that is checked on the following list of DFARS clauses which, if checked, is included in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components.

- | | | |
|-------------------------------------|--------------|--|
| <input type="checkbox"/> | 252.205-7000 | Provision of Information to Cooperative Agreement Holders, 10 U.S.C. 2416 |
| <input type="checkbox"/> | 252.206-7000 | Domestic Source Restriction, 10 U.S.C. 2304 |
| <input checked="" type="checkbox"/> | 252.219-7003 | Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan (DoD Contracts), 15 U.S.C. 637 |
| <input type="checkbox"/> | 252.225-7001 | Buy American Act and Balance of Payments Program, 41 U.S.C. 10a-10-d, E.O. 10582 |
| <input checked="" type="checkbox"/> | 252.225-7007 | Buy American Act -Trade Agreements Act - Balance of Payments Program, 41 U.S.C. 10a-10d, 19 U.S.C. 2501-2518, and 19 U.S.C. 3301 note |
| <input type="checkbox"/> | 252.225-7012 | Preference for Certain Domestic Commodities |
| <input type="checkbox"/> | 252.225-7014 | Preference for Domestic Specialty Metals. - 10 U.S.C. 2341 note |
| <input type="checkbox"/> | 252.225-7015 | Preference for Domestic Hand or Measuring Tools. - 10 U.S.C. 2241 note |
| <input type="checkbox"/> | 252.225-7021 | Trade Agreements, 19 U.S.C. 2501-2518 and 19 U.S.C. 3301 note |
| <input type="checkbox"/> | 252.225-7027 | Restriction on Contingent Fees for Foreign Military Sales, 22 U.S.C. 2779 |
| <input type="checkbox"/> | 252.225-7028 | Exclusionary Policies and Practices of Foreign Governments, 22 U.S.C. 2755 |
| <input type="checkbox"/> | 252.225-7029 | Preference for United States or Canadian Air Circuit Breakers, 10 U.S.C. 2534(a)93) |
| <input type="checkbox"/> | 252.225-7036 | Buy American Act - North American Free Trade Agreement Implementation Act - Balance of Payments Program (<input type="checkbox"/> Alt I), 41 U.S.C. 10a-10d and 19 U.S.C. 3301 note |
| <input type="checkbox"/> | 252.227-7015 | Technical Data Commercial Items, 10 U.S.C. 2320 |

- ☐ 252.227-7037 Validation of Restrictive Markings on Technical Data, 10 U.S.C. 2321
- ☒ 252.243-7002 Requests for Equitable Adjustment, 10 U.S.C. 2410
- ☐ 252.247-7024 Notification of Transportation of Supplies by Sea, 10 U.S.C. 2631

(c) In addition to the clauses listed in paragraph (b) of the CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS -- COMMERCIAL ITEMS clause of this contract, the Contractor shall include the terms of the following clause, if applicable, in subcontracts for commercial items or commercial components, awarded at any tier under the contract.

- ☐ 252.225-7014 Preference for Domestic Specialty Metals, Alternate I (10 U.S.C. 2241 note).

(DFARS 252.212-7001)

ADDENDUM #1: PREAWARD SOLICITATION PROVISIONS

II.07 REQUIRED CENTRAL CONTRACTOR REGISTRATION (MAR 2000)

(a) **DEFINITIONS.** As used in this clause--

(1) **Central Contractor Registration (CCR) database** means the primary DoD repository for Contractor information required for the conduct of business with DoD.

(2) **Data Universal Numbering Systems (DUNS) number** means the 9-digit number assigned by Dun and Bradstreet Information Services to identify unique business entities.

(3) **Data Universal Numbering System + 4 (DUNS+4) number** means the DUNS number assigned by Dun and Bradstreet plus a 4-digit suffix that may be assigned at the discretion of the parent business concern for such purposes as identifying subunits or affiliates of the parent business concern.

(4) **Registered in the CCR database** means that all mandatory information, including the DUNS number or the DUNS+4 number, if applicable, and the corresponding Commercial and Government Entity (CAGE) code is in the CCR database; the DUNS number and the CAGE code have been validated; and all edits have been successfully completed.

(b) (1) By submission of an offer, the offeror acknowledges the requirement that a prospective awardee must be registered in the CCR database prior to award, during performance, and through final payment of any contract resulting from this solicitation, except for awards to foreign vendors for work to be performed outside the United States.

(2) The offeror shall provide its DUNS or, if applicable, its DUNS+4 number with its offer, which will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.

(3) Lack of registration in the CCR database will make an offeror ineligible for award.

(4) DoD has established a goal of registering an applicant in the CCR database within 48 hours after receipt of a complete and accurate application via the Internet. However, registration of an applicant submitting an application through a method other than the Internet may take up to 30 days. Therefore, offerors that are not registered should consider applying for registration immediately upon receipt of this solicitation.

(c) The Contractor is responsible for the accuracy and completeness of the data within the CCR, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to confirm on an annual basis that its information in the CCR database is accurate and complete.

(d) Offerors and contractors may obtain information on registration and annual confirmation requirements by calling 1-888-227-2423 or via the Internet at <http://www.ccr2000.com>.

(DFARS 252.204-7004)

K5 USE OF ELECTRONIC DATA INTERCHANGE (DESC MAY 1994)

OSP

K85 DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998)

(a) **DEFINITIONS.** As used in this provision--

(1) **Government of a terrorist country** includes the state and the government of a terrorist country, as well as any political subdivision, agency, or instrumentality thereof.

(2) **Terrorist country** means a country determined by the Secretary of State, under Section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(i)(A)), to be a country the government of which has repeatedly provided support for acts of international terrorism. As of the date of this provision, terrorist countries include Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria.

(3) **Significant interest**, as used in this provision means--

(i) Ownership of or beneficial interest in 5 percent or more of the firm's or subsidiary's securities. Beneficial interest includes holding 5 percent or more of any class of the firm's securities in "nominee shares," "street names," or some other method of holding securities that does not disclose the beneficial owner;

(ii) Holding a management position in the firm, such as director or officer;

(iii) Ability to control or influence the election, appointment, or tenure of directors or officers in the firm;

(iv) Ownership of 10 percent or more of the assets of a firm such as equipment, buildings, real estate, or other tangible assets of the firm; or

(v) Holding 50 percent or more of the indebtedness of a firm.

(b) **PROHIBITION ON AWARD.** In accordance with 10 U.S.C. 2327, no contract may be awarded to a firm or subsidiary of a firm if the government of a terrorist country has a significant interest in the firm or subsidiary or, in the case of a subsidiary, the firm that owns the subsidiary, unless a waiver is granted by the Secretary of Defense.

(c) **DISCLOSURE.**

If the government of a terrorist country has a significant interest in the offeror or a subsidiary of the offeror, the offeror shall disclose such interest in an attachment to its offer. If the offeror is a subsidiary, it shall also disclose any significant interest each government has in any firm that owns or controls the subsidiary. The disclosure shall include--

- (1) Identification of each government holding a significant interest; and
 - (2) A description of the significant interest held by each Government.
- (DFARS 252.209-7001)

L5.01-1 AGENCY PROTESTS (DEC 1999) - DLAD

Companies protesting this procurement may file a protest (1) with the Contracting Officer, (2) with the General Accounting Office, or (3) pursuant to Executive Order No. 12979, with the Agency for a decision by the Activity's Chief of the Contracting Office. Protests filed with the Agency should clearly state that they are an "Agency Level Protest under Executive Order No. 12979." (**NOTE:** DLA procedures for Agency Level Protests filed under Executive Order No. 12979 for a higher level decision on the initial protest than would occur with a protest to the Contracting Officer; this process is not an appellate review of a Contracting Officer's decision on a protest previously filed with the Contracting Officer.) Absent a clear indication of the intent to file an agency level protest, protests will be presumed to be protests to the Contracting Officer.

(DLAD 52.233-9000)

M700 EVALUATION FOR AWARD (NATURAL GAS) (DESC MAR 2000)

(a) **BASIS FOR AWARD.**

(1) Evaluation and contract awards will be made using Best Value Source Selection procedures. In using Best Value Source Selection procedures, the Government will evaluate price and other non-cost factors, to include Technical, Past Performance, and Socioeconomic Commitment. The relative importance of all non-cost evaluation factors, in descending order of importance, is as follows:

- (i) Technical;
- (ii) Past Performance; and
- (iii) Socioeconomic Commitment.

The non-cost evaluation factors (Technical, Past Performance, and Socioeconomic Commitment), when combined, are approximately equal to price.

(2) Award will be made to the offeror representing the overall best value to the Government for the line item under consideration. In determining best overall value, the Government will evaluate and rate each offeror's technical proposal, past performance, and socioeconomic commitment using preestablished standards. The offer(s) selected as the best value will represent the best tradeoff to the Government when comparing price against the non-cost factors. The Government may make award to other than the lowest priced offeror; however, the Government will not pay a premium that it considers disproportionate to the perceived benefits of the higher-priced proposal. Final award selection will be made by the Source Selection Authority.

(b) **DESCRIPTION OF NON-COST EVALUATION FACTORS.**

(1) **TECHNICAL.**

(i) **Transportation Experience.** An offeror's transportation experience with natural gas over the interstate pipeline system and/or purchase history at the relevant Local Distribution Company (LDC), including historical volumes.

(ii) **Supply Management Experience.** An offeror's knowledge of providing supply management behind the LDC and on the interstate pipelines.

(2) **PAST PERFORMANCE.**

(i) The Government will evaluate the offeror's experience over approximately the last two years delivering similar requirements. In doing this, the Government may consider information obtained from sources contained in the offeror's Experience with Endusers Submission (attached to the solicitation), past and present customers, other subcontractors, and any other sources who may have useful information. The Government may also rely solely on the offeror's past performance under DESC contracts. A record of acceptable past performance will not result in a favorable assessment of an otherwise unacceptable proposal. An offeror without a record of relevant past performance, or for whom information on past performance is not available, will not be evaluated favorably or unfavorably.

(ii) The subfactors listed below, which are equal to one another in importance, will be used to evaluate past performance:

(A) **Quality of Product or Service.** Assessment of the offeror's ability to conform to contract requirements, specifications, and standards of good workmanship.

(B) **Schedule.** Assessment of the offeror's ability to meet delivery schedules, to respond to administrative issues in a timely manner, and to complete a contract.

(C) **Business Relations.** Assessment of the offeror's commitment to maintaining an acceptable level of performance, customer satisfaction, and meeting small business, HUBZone small business, small disadvantaged business, and women-owned small business participation goals, as applicable. This includes the offeror's history of reasonable and cooperative behavior, participation in problem identification, and corrective action measures.

(3) **SOCIOECONOMIC COMMITMENT.** All offerors, regardless of business size, will be rated. Offerors demonstrating greater commitment to partnering and subcontracting with small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses by proposing a higher percentage, complexity level, and variety of participation by small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses will receive more favorable ratings. **NOTE:** Performance on current and prior contracts containing subcontracting with small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses will be part of the past performance evaluation only.

(c) **EVALUATION OF PRICE.**

(1) The Government will perform a price analysis to determine the reasonableness of proposed prices in accordance with FAR 15.404.

(2) The Government intends to evaluate price, by line item, based on the total cost of the solicitation schedule elements associated with the line item except the indexed supply price (which is indicated in the Schedule with asterisks).

(3) The Government is not obligated to award any requirement where the awarded price, based on an economic price analysis, is not expected to provide savings when compared to the local distribution company.

(DESC 52.209-9F80)

ADDENDUM #2: POSTAWARD CONTRACT CLAUSES

B700 ECONOMIC PRICE ADJUSTMENT - MARKET PRICE AND TRANSPORTATION (NATURAL GAS) (DESC MAR 2000) (REV)

(a) **WARRANTIES.** The Contractor warrants that--

(1) The unit prices set forth in the Schedule do not include allowances for any portion of the contingency covered by this clause;

and

(2) The prices to be invoiced hereunder shall be computed in accordance with the provisions of this clause.

(b) **DEFINITIONS.** As used in this clause, the term--

(1) **Supply Index Price (SIP)** is the market price, expressed in dollars per dekatherm (Dth), specified in the publication/table listed in the SIP Table in (f)(1) below. It measures the general rate and direction of price movements within a market. However, it does not indicate a mandatory source of supply or area where offerors must obtain gas supplies.

(2) **Adjustment Factor (AF)** is a fixed amount that reflects the offeror's expected cost variance from the SIP. The AF is a mechanism to compensate an offeror for all costs of contract performance including but not limited to supply costs, transportation-related costs, overhead costs and margin insofar as these costs vary from the SIP. Transportation-related costs include any pipeline tariff rate charges for transportation of product along the delivery path, to include charges from multiple pipelines and/or production areas if not covered in the supply index price, the Transportation Fuel Factor, all additional charges in the tariff rates such as Annual Charge Account (ACA) and Gas Research Institute (GRI) charges, and any differential, either positive or negative, that accounts for the offeror's costs associated with transportation.

The AF is composed of two separately priced factors: the Summer AF, which will be utilized in price escalation for deliveries from April 1 through October 31, and the Winter AF, which will be utilized in price escalation for deliveries from November 1 through March 31.

(3) **Local Distribution Company (LDC)** means the local public utility, typically operating in a franchised area, without competition, that transports gas over its own distribution lines from its interconnection points with an interstate or intrastate pipeline to customers.

(4) **Contract Unit Price** for deliveries from April 01 to October 31 means the sum of the contract's SIP and Summer AF. Contract unit price for deliveries from November 01 to March 31 means the sum of the contract's SIP and Winter AF.

(5) **Estimated Unit Price** means the Government estimate of the Contract Unit Price for supplies to be delivered in the following month and the LDC cost of transporting the direct supply natural gas from the citygate to burnertip.

(c) **ADJUSTMENTS.** Contract price adjustments shall be provided via notification through contract modification and/or posting to the DESC web page at www.desc.dla.mil/main/deschome.htm under the heading "Doing Business with DESC". Subject to provisions of this clause, the prices payable hereunder shall be the contract unit price modified if applicable pursuant to this clause, less any transportation discounts afforded the Government in accordance with the TRANSPORTATION DISCOUNTS AND REFUNDS clause.

(1) **CALCULATIONS.**

(i) All numbers used in or derived through calculations prescribed by this clause shall be rounded to six places.

(ii) If the SIP is an average of the published prices for a specified date and no published price was published for that date, the applicable remaining prices published for that date shall be used to determine the average.

(2) **PRICE ADJUSTMENTS.** Contract unit prices shall be revised upward or downward through price adjustments. In accordance with the following conditions and other provisions of this clause:

(i) One price adjustment shall be executed each month designating the contract's SIP and the applicable fixed adjustment factor (Summer AF or Winter AF). The web location is www.desc.dla.mil/main/doinbusi.htm for Natural Gas Products.

(ii) The SIP shall be the first price that is effective in each month as it appears in the applicable publication identified in the SIP Table in (f)(1) below.

(iii) The monthly price adjustment shall apply to all deliveries made on or after the first day of the month in which the SIP was determined and shall remain in effect the remainder of the month.

(3) **FAILURE TO DELIVER.** Notwithstanding any other provisions of this clause, no upward price adjustment shall apply to gas scheduled under the contract to be delivered before the effective date of the price adjustment, unless the Contractor's failure to deliver according to the delivery schedule results from causes beyond the Contractor's control and without its fault or negligence, within the meaning of paragraphs (f), Excusable Delays, of the CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS clause of this contract, in which case the contract shall be amended to make an equitable extension of the delivery schedule.

(4) **UPWARD CEILING ON ECONOMIC PRICE ADJUSTMENTS.** The ceiling price limitation, Alternative I, is described below:

ALTERNATIVE I

(i) The Contractor agrees that any increase in the contract unit price pursuant to this clause shall not exceed 55 percent of the contract unit price effective at time of award. If market conditions warrant, the Government may initiate a contract ceiling increase.

(ii) If, at any time, the Contractor has reason to believe that within the near future a price adjustment required under this clause will exceed the current contract ceiling for the item(s) in question, the Contractor shall notify the Contracting Officer of the expected increase. At the same time, the Contractor shall propose a revised ceiling sufficient to permit completion of remaining contract performance. Contractor's proposal shall be supported by appropriate explanations and documentation as required by the Contracting Officer.

(iii) If an actual increase in the market price would raise the contract unit price for an item above the current ceiling, the Contractor shall have no obligation under this contract to fill pending or future orders for such item, as of the effective date of the increase, until the Contracting Officer notifies the Contractor that the ceiling will or will not be raised. In the case where the Contractor receives confirmation that the ceiling will be raised, the Contractor is expected to continue performance.

ALTERNATIVE II

The ceiling for each installation/activity shall be the applicable Local Distribution Company's (LDC's) estimated price for natural gas delivered to burnertip. The Government shall use the LDC's estimated price for natural gas delivered to burnertip. The Government is not required to order direct supply natural gas under this contract if the projected contract unit price to burnertip, as described in Alternative I above, is greater than the applicable LDC's estimated price for natural gas delivered to burnertip.

(5) **REVISION OF MARKET PRICE INDICATOR.** If any applicable market price indicator is discontinued or its method of derivation is altered substantially; or the Contracting Officer determines that the market price indicator consistently and substantially failed to reflect market conditions, the parties shall mutually agree upon an appropriate and comparable substitute and the contract shall be modified to reflect such substitute effective on the date the indicator was discontinued, altered, or began to consistently and substantially fail to reflect market conditions. If the parties fail to agree on an appropriate substitute, the matter shall be resolved in accordance with paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS clause of the contract.

(d) **FINAL INVOICE.** The Contractor shall include a statement on the final invoice that the amounts invoiced hereunder have applied all decreases required by this clause.

(e) **EXAMINATION OF RECORDS.** The Contractor agrees that the Contracting Officer or designated representative shall have the right to examine the Contractor's books, records, documents, and other data the Contracting Officer deems necessary to verify Contractor adherence to the provisions of this clause.

(f) **TABLES.**

(1) *The SIP Table is as follows:*

SEE CLAUSE B1.06, SUPPLIES TO BE FURNISHED

I Item No.	II Delivery Point	III Publication/Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable Ceiling provision	VII Supply Index Price Effective

(2) Clarification of relevant terms:

Inside FERC: Inside FERC's Gas Market Report, "Prices of Spot Gas Delivered to Pipeline"

NGI: Natural Gas Intelligence, "Spot Gas Prices Table" (unless another table is mentioned, e.g., "Canadian Spot Market Prices Table")

Gas Daily: Gas Daily, "Monthly Contract Index"

ACA: Annual Charge Account

GRI: Gas Research Institute

(DESC 52.216-9FAW)

B701 CONTRACT PRICE VARIATIONS (NATURAL GAS) (DESC MAR 1999)

Prior to the call for final proposal revisions, the Government will designate, by line item, a fixed-price contract with economic price adjustment (EPA), firm-fixed-price contract, or combination of the two, as delineated in (a) through (d) below, to be awarded under this solicitation.

(a) **Fixed-price with economic price adjustment for the entire delivered quantity.** The Government will use the five-part pricing structure as described in the ECONOMIC PRICE ADJUSTMENT - MARKET PRICE AND TRANSPORTATION (NATURAL GAS) clause. The Government will issue monthly price change modifications in accordance with the EPA clause, and the Contractor will be paid for the entire delivered quantity at the indexed price.

(b) **Firm-fixed price for a preestablished minimum monthly guaranteed quantity and a fixed-price with economic price adjustment for deliveries above the minimum monthly guaranteed quantity.** The Government will award a summer firm-fixed price for the months of April through October and a winter firm-fixed price for the months of November through March for the minimum monthly guaranteed quantities. Deliveries above the minimum monthly guarantee will be priced in accordance with the EPA provisions described in the EPA clause.

(c) **Firm-fixed price for a preestablished minimum monthly guaranteed quantity and a separate firm-fixed price for deliveries above the minimum monthly guaranteed quantity.** The Government will award a summer firm-fixed price for the months of April through October and winter firm-fixed price for the months of November through March for the monthly minimum guaranteed quantities. Deliveries above the minimum monthly guarantee will also be awarded at a firm-fixed price but may be at prices different from the minimum monthly guarantee.

(d) **Firm-fixed-price for the entire delivered quantity.** The Government will award a summer firm-fixed price for the months of April through October and a winter firm-fixed price for the months of November through March for the entire delivered quantities.

(DESC 52.216-9F65)

B703 ORDERING, DELIVERIES, AND PAYMENTS - MONTHLY GUARANTEED QUANTITIES (NATURAL GAS) (DESC MAR 2000)

(a) The monthly guaranteed quantity (MGQ), if any, will be ordered by the Government provided that the line item is an interruptible or limited interruptible line item, and the Contractor does not claim an interruption due to a pipeline curtailment, a recall of released capacity, or a refusal of natural gas deliveries by the LDC that limits total deliveries for the month to less than the MGQ. If the Contractor's claimed curtailments limit total deliveries for the month to less than the MGQ, the Government shall only pay for the actual quantity delivered.

(b) Where supply management is required, it is the Contractor's responsibility to immediately notify the DESC Contracting Officer in writing when it has reason to believe that it will be necessary to deliver less than the MGQ in order to keep the installation in balance. In the event the Government's actual monthly requirement is less than the MGQ, the Contractor shall use commercially reasonable efforts to resell the excess MGQ. In such instances, the reduction in quantity shall constitute a partial termination for convenience of the Government.

(c) The Government shall pay the Contractor the applicable firm fixed-price (FFP) for the actual quantity delivered. For undelivered MGQ quantities, the Government and the Contractor will negotiate an equitable settlement directed toward reimbursing the Contractor for any positive difference between the contract firm fixed-price and the price obtained by the Contractor from the sale of the excess gas. Upon request, the Contractor will provide the Government with full documentation related to the resale of the excess gas.

(d) If, as a result of the Government's adjustment to the MGQ, the Contractor incurs any other reasonable costs associated with the prudent sale of excess MGQ, the Contractor may request written relief for costs incurred. The Contracting Officer shall be under no obligation to consider or negotiate any additional relief unless the request is accompanied by clear and convincing documentation.

(DESC 52.216-9FD8)

B704 CONTRACT PRICE CONVERSION (NATURAL GAS) (DESC MAR 2000)

(a) The Government or the Contractor may propose to convert, by mutual agreement, any fixed price with economic price adjustment contract line item quantity to a firm-fixed price at any time during contract performance. Quantity may be converted for specific delivery month(s).

(1) The Government's request for conversion will identify the line item(s) affected and the month(s) for conversion. The Government will specify the quantity for conversion on a month-by-month basis. The Government will propose conversion of a minimum of 10,000 dekatherms per month.

(2) The Contractor may suggest a conversion to a firm-fixed price at any time for any line item and any quantity. The Contractor's proposal is not limited to a minimum of 10,000 dekatherms per month. The contractor's proposal must be in the best interest of the Government. When the Contractor suggests a conversion, the proposal must contain the specific contract line item(s), the specific delivery month(s)

and quantity, and an acceptance time stated in LOCAL FORT BELVOIR TIME. The minimum duration for any proposed conversion is one month. When proposing or responding to the Government's request, the Contractor should also state if the proposed conversion months are tied or if individual months may be accepted.

(3) Price negotiations may be held. When the Government accepts a proposal, the Government will restate the price(s), month(s) of delivery, and converted quantity to be delivered each month. Acceptance by the Government of the Contractor's price proposal within the time limit allotted by the Contractor for acceptance of the price proposal shall be binding. The Contractor may extend the time for acceptance of the proposed price at any time.

(b) The converted quantity will become the monthly guaranteed quantity for the duration of the conversion and the ORDERING, DELIVERIES, AND PAYMENTS - MONTHLY GUARANTEE QUANTITIES (NATURAL GAS) clause shall apply.

(1) Delivery in any month above the guaranteed quantity will remain priced according to the terms under which it was originally awarded.

Example: Line Item AAAA was awarded for an estimated 100,000 dekatherms, fixed price with economic price adjustment, without any guaranteed quantity. The Government converts 10,000 dekatherms for November to firm-fixed price. The 10,000 dekatherms converted becomes a guaranteed quantity for the month of November. The Contractor delivers 15,000 dekatherms in November. The 10,000 dekatherms that were converted are firm-fixed price for November, and the remaining 5,000 dekatherms are priced according to the terms under which they were originally awarded.

(2) If the line item was originally awarded with a firm-fixed price monthly guaranteed quantity and the Government converts and guarantees an additional quantity, Contractor deliveries during the month will be priced as follows:

(i) The first gas delivered during the month is the original monthly guaranteed quantity and shall be priced in accordance with the PRICE COMPONENTS - FIRM-FIXED PRICE (NATURAL GAS) clause.

(ii) The next gas delivered is the additional guaranteed quantity added during the conversion and shall be firm-fixed price in accordance with the terms of this clause.

(iii) Any quantity delivered above the original and additional guaranteed quantities will remain priced according to the terms under which it was originally awarded.

Example: Line Item AAAA was awarded for an estimated 100,000 dekatherms with a monthly guaranteed quantity of 10,000 dekatherms for November. The Government converts an additional quantity of 20,000 dekatherms for November to firm-fixed price that is also guaranteed. The Contractor delivers 35,000 dekatherms in November. The first 10,000 dekatherms delivered are the original monthly guaranteed quantity and are firm-fixed price in accordance with the PRICE COMPONENTS - FIRM-FIXED PRICE (NATURAL GAS) clause. The next 20,000 dekatherms delivered are the additional guaranteed quantity added by conversion and are firm-fixed price in accordance with the terms of this clause. The next 5,000 dekatherms will remain priced according to the terms under which they were originally awarded.

(DESC 52.216-9FP3)

C700 STATEMENT OF WORK/SPECIFICATIONS (NATURAL GAS) (DESC MAR 2000)

(a) **STATEMENT OF WORK.** The Contractor shall furnish all requirements in accordance with the Schedule of Supplies/Services and other provisions of the contract.

(b) **SPECIFICATIONS.** The measurement, testing, heating value, delivery pressure, and quality of natural gas delivered shall be in accordance with the terms and conditions of the delivery specifications of the applicable LDC tariff and, in cases where there is no LDC, in accordance with the applicable interstate pipeline. The Government shall not be obligated to purchase or pay for natural gas that either the LDC or the interstate pipeline has refused to accept due to nonconformance with its specifications.

(DESC 52.246-9F10)

C703 STATEMENT OF WORK FOR SUPPLY MANAGEMENT (NATURAL GAS) (DESC MAR 2000)

(a) **GENERAL.** Unless otherwise specified in the Schedule, the Contractor shall provide natural gas supply management to the burnertip to include, specifically, nomination of ordered supplies to the pipeline and/or local distribution company (LDC), and balancing of the installation's account with the LDC, or, in cases where there is no LDC, with the pipeline. Balancing means to manage deliveries to ensure the installations are not penalized as a result of over or under deliveries. The Contractor shall coordinate its actions with the installation's Ordering Officer by telephone, email or facsimile. Such coordination between the Contractor and the Ordering Officer shall occur no less frequently than once a week, but may occur more frequently as the Contractor deems necessary. The Contractor shall at all times adhere to the tariff, agreements, rules, and regulations of the applicable LDC and/or pipeline. Any coordination problems shall be reported to the DESC Contracting Officer.

(b) **ORDERING.** The installation shall provide the Contractor with a natural gas delivery order pursuant to the provisions outlined in the ORDERING and GAS ORDERING PROCEDURES clauses.

(c) **NOMINATION.** The Contractor shall nominate to the pipeline and/or LDC, as applicable, such natural gas supplies as may be necessary to meet the installation's monthly requirement. The Contractor may nominate quantities using the monthly estimates contained in the Consumption Data Sheets unless otherwise specified on the delivery order or notified by the Government prior to the nomination deadline. The Contractor shall comply with all LDC and/or pipeline tariff regulations and directives regarding daily nominations and deliveries. For any adjustment in the nomination that would exceed the swing limits in the GAS ORDERING PROCEDURES clause, the Contractor shall coordinate said adjustment with the installation's Ordering Officer, and shall obtain authorization from the DESC Contracting Officer before making such adjustment.

(d) **BALANCING.**

(1) **Contractor Receipt of Consumption Data.**

(i) Because Supply Management is dependent upon the Contractor obtaining and the Government providing timely and accurate usage data, and on the Contractor fully understanding the pertinent balancing provisions, the Contractor should establish, immediately upon award, all communication channels necessary to assure effective performance.

(ii) The Contractor shall provide timely written notice to the Ordering Officer and the Contracting Officer of any condition that impedes effectively supply management.

(iii) The Ordering Officer will, if practicable, advise the Contractor of significant events that would substantially affect daily and/or monthly gas usage, unless such events are specified in the Schedule.

(2) The Contractor shall monitor the installation's consumption of natural gas via telemetering or, in the event telemetering is not available, via coordination with the installation's Ordering Officer and with the LDC and/or pipeline. Personnel other than the Ordering Officer may be designated by the Ordering or Contracting Officer to provide burn data to the Contractor. In that instance, the Contractor shall coordinate exchange of such data no less frequently than once a week, but it may occur more frequently as the Contractor deems necessary. The Contractor shall adjust the nomination as necessary to keep the installation within balance and/or tolerance as determined by the pipeline or LDC, whichever is applicable.

(3) The following shall apply after the month of delivery and/or upon termination/expiration of the contract:

(i) In cases where the LDC (or where there is no LDC, the pipeline) allows for a cash-out:-

(A) If a negative imbalance exists, the Contractor shall be responsible for whatever additional moneys, as determined by the applicable tariff (or agreement, rule, or regulation) the installation is obliged to pay the LDC (or pipeline) to bring its account balance within the specified tolerance and/or zero if balancing the last month of the contract. The Government may deduct any pertinent costs from the Contractor's invoice. If the price the installation is obliged to pay the LDC (or pipeline) is less than the contract price, the installation shall pay the LDC (or pipeline) the amount due; the Contractor is not entitled to the difference in cost between contract price and the applicable tariff price.

(B) If a positive imbalance exists, and if the LDC compensates the installation for the excess supplies beyond the specified tolerance level for the delivery month and/or a zero account balance for the last month of delivery under the contract, the installation shall pay the Contractor, in lieu of the contract price, the amount the LDC pays the installation (whether higher or lower than the contract price), less any applicable LDC transportation charges. The Government may deduct any pertinent costs from the Contractor's invoice.

(C) For negative and positive imbalances that result in a cash-out, cash-out procedures shall be completed within 30 days after the installation has received its bill from the LDC for the last month the Contractor delivered direct supply natural gas.

(ii) Upon termination/expiration of the contract in cases where the LDC (or the pipeline) does not allow for a cash-out:

(A) If a negative or positive imbalance will exist by the end of the last month of delivery, the Contractor shall advise the installation's Ordering Officer at least 24 hours prior to the 25th calendar day of the month prior to the start of the new follow-on contract, so that the Ordering Officer may take whatever action is necessary with the LDC or subsequent Contractor to compensate for said imbalance, and adjust the natural gas delivery order as appropriate.

(B) If the Contractor does not anticipate an imbalance by the end of the last month of delivery, but an imbalance becomes known to the installation and the subsequent Contractor during the first month's deliveries under the follow-on contract, the Contractor shall be responsible for any additional costs if the installation cannot compensate for the imbalance by an adjustment of the natural gas delivery order within the allowable swing percentages, and if any adjustment beyond the swing percentages results in additional costs to the Government.

(e) **PENALTIES.** If the Contractor fails to adjust the nomination as necessary, as specified in (b) above, to correct an imbalance and the installation incurs additional costs or is charged any LDC and/or pipeline penalties, the Contractor shall be liable to the Government for such penalties or other additional costs. The Government may deduct any pertinent costs from the Contractor's invoice.

(f) **PARTY OF RECORD NOTIFICATIONS.** The Ordering Officer will assist the Contractor in establishing designation as the party of record for notification in the event the LDC issues a curtailment and/or operational flow order or any other usage or operating instructions or similar notice relative to the purchase and usage of gas by said installation(s). In the event the LDC does not grant such designation to the Contractor, the designated party for the installation will immediately notify the Contractor of the LDC notification so that the Contractor may take the necessary actions communicated by the LDC.

(DESC 52.246-9F15)

F700 DELIVERIES AND PERFORMANCE (NATURAL GAS) (DESC MAR 2000)

(a) The Contractor agrees that it has or will secure good and marketable title to gas delivered to the Government, that it has or will have the right without restriction to sell such gas, and that such gas is free from liens and adverse claims of any kind.

(b) COMMENCEMENT OF DELIVERY.

(1) In order to accomplish delivery of natural gas from the delivery point stated in the Schedule to the end user, the Government intends to enter into transportation agreements with local distribution companies (or interstate/intrastate pipelines, as applicable). The Government expects to enter into such agreements in sufficient time to place orders for delivery of direct supply natural gas by the beginning of the delivery period identified in (c) below. However, the Government shall have no obligation to place orders for delivery of direct supply natural gas until such agreements are in place.

(2) If the Contractor fails to make progress in obtaining a pipeline transportation agreement in its own name, or an LDC transportation agreement if delivery is required to burnertip, or is incapable of delivering direct supply natural gas under the contract as the shipper of record by the initial order pipeline nomination deadline date, the contract may be terminated in accordance with the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause.

(3) Once the LDC transportation agreement is in effect and consistent with the provisions contained in the ECONOMIC PRICE ADJUSTMENT clause, the Contractor shall be prepared to begin delivery on the date indicated in the contract and/or delivery order.

(4) When there is a transition of delivery responsibility from the previous natural gas supplier to the Contractor, the Contractor will cooperate with the Government in effecting an orderly transition.

(c) **PERIOD OF PERFORMANCE AND DELIVERY POINTS.** Performance under this contract shall commence in accordance with the Schedule. Performance shall not extend beyond the delivery period specified except pursuant to the EXTENSION PROVISIONS clause.

(d) **REFUSAL OF DELIVERY BY LDC.** If, because of supply or system operation constraints of the LDC, the LDC refuses to accept quantities of natural gas ordered by the Government, that quantity will not be considered to have been delivered; therefore, the Government shall not be obligated to pay for the undelivered supply unless the LDC utilizes the gas for its own system delivery. In that case, the Government will reimburse the Contractor for the quantity used by the LDC at the contract price.

(e) **PENALTIES.** During the term of this contract, should the Contractor deliver into any LDC pipeline system for ultimate delivery to any installation(s)/agencies designated in the Schedule, natural gas in excess of or less than the ordered amount, and such under or over delivery results in a charge and/or penalty pursuant to the applicable LDC's tariff, the Contractor shall be liable for the amount of that charge and/or penalty, which may be offset from future payments due the Contractor.

(f) METHOD OF DELIVERY.

(1) **FIRM.** For requirements stated as firm delivery, all quantities ordered by the Government shall be considered firm and guaranteed for delivery by the Contractor to the delivery point. The Contractor shall be liable for default and for all pipeline or LDC penalties assessed to the Government for nonperformance that does not qualify as an excuse to performance. Refer to CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS and CURTAILMENTS, CAPACITY RECALLS AND CONSTRAINTS.

(2) **LIMITED INTERRUPTIBLE.** For requirements stated as limited interruptible, the Contractor may use any combination of interruptible or firm pipeline transportation, as well as released capacity and/or citygate purchases. The Government defines its requirement as limited interruptible since a certain level of reliable delivery is required as described below:

(i) Curtailment days have been established for line items requiring limited interruptible transportation service based on the capacity curtailment history of the pipeline(s) determined to be the most logical transportation route available to the Government, as well as the individual installation's requirement for direct supply natural gas. The curtailment days for each line item are provided in the attachment to the solicitation, entitled "Consumption Data".

(ii) The Contractor shall be liable for all pipeline or LDC penalties assessed to the Government or additional costs associated with switching to an alternative fuel for nonperformance that does not qualify as an excuse to performance. Refer to CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS and CURTAILMENTS, CAPACITY RECALLS AND CONSTRAINTS.

(3) **INTERRUPTIBLE.** Delivery service provided to customers with 100% alternate energy source which will accommodate an unlimited number of curtailment days.

(g) IMBALANCES.

(1) Where supply management is required under the contract, the Contractor shall reconcile imbalances in accordance with the STATEMENT OF WORK FOR SUPPLY MANAGEMENT clause.

(2) In the event of an underdelivery, when the Contractor is not responsible for supply management and the pipeline and/or LDC provide balancing procedures beyond the month of delivery and the Government agrees to the Contractor's use of such balancing procedures to provide any replacement supplies, the price paid for such supplies will be the price in effect during the month delivery actually occurs.

(3) If the pipeline and/or LDC provide for imbalance trading, the Contractor may deliver natural gas supplies through the end of the relevant imbalance trading period as designated on the individual delivery order. Such deliveries shall be made at the contract price in effect during the delivery month in which the imbalance was incurred. Supplies not delivered during the specified month of delivery and/or corresponding imbalance trading period shall be considered late. Any imbalance penalties incurred as a result of the Contractor's failure to deliver the gas or failure to execute the imbalance trade during the relevant imbalance trading period shall be the Contractor's responsibility.

(4) If the pipeline and/or LDC does not allow for either balancing beyond the month of delivery or imbalance trading, the ordered quantity, as adjusted, shall be delivered during the month specified on the delivery order. If the Contractor fails to deliver the ordered amount of direct supply natural gas, in accordance with the delivery order, and such failure to deliver does not arise from causes beyond the control and without the fault or negligence of the Contractor within the meaning of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause, the Government, at its option, may procure such supplies in accordance with the REPURCHASE AND SET-OFF clause.

(h) **EXCESS FIRM CAPACITY.** For line items that require the Government to pay a monthly lump sum demand charge under the contract, and for line items that require the Contractor to deliver and manage firm capacity that the Government has obtained through pipeline assignment or through the released firm capacity market, the Contractor shall manage any excess firm capacity not utilized by the installation, up to the installation's maximum daily quantity (MDQ), as described in this clause and in the following order of precedence:

(1) The Contractor shall deliver, on the excess firm transportation, firm requirements of other Federal Government installations under DESC contract that are on the same pipeline and that have nominated up to their firm MDQ, but have a requirement for additional firm capacity. Balancing the nominated firm requirements between two (or more) Federal Government installations under DESC contract requiring firm delivery shall be accomplished prior to any other method described in this clause.

(i) In each month that balancing is possible, the Contractor shall deduct, as a separate entry from the invoice of the installation that has excess firm capacity, the quantity of gas delivered to the installation that required additional firm capacity, multiplied by the applicable per dekatherm (Dth) demand charge.

(ii) The installation receiving additional firm delivery above their MDQ shall be invoiced in the corresponding amount.

(iii) Commodity rates, Annual Charge Account, and Gas Research Institute charges will be invoiced, as applicable.

(iv) Depending on pipeline procedures, the contract may require the designation of specific alternate or secondary delivery and receipt points. If applicable, the Contractor shall advise the DESC Contracting Officer and the contract may be modified accordingly.

(2) The Contractor shall deliver, on the excess firm transportation, limited interruptible, or interruptible requirements of other Federal Government installations under DESC contract that are located on the same pipeline. The installation receiving its interruptible requirement on firm transportation will be invoiced as if interruptible transportation has been used to deliver its direct supply natural gas interruptible requirement. A like credit will be issued back to the installation that held the excess firm capacity.

(3) If no other Federal Government installation requires additional firm transportation beyond their MDQ, or there are no other Federal Government installations that apply, the Contractor shall participate in the pipeline's Electronic Bulletin Board (EBB) process for releasing the installation's excess firm capacity. Specifically, the Contractor shall attempt to release, either on a month-to-month basis or, if required by the DESC Contracting Officer, for any period greater than one month (up to the expiration date of the contract), any and all excess firm capacity up to the MDQ obtained by the Contractor to deliver the installation's direct supply natural gas firm requirements.

(i) The Contractor shall conduct all transactions associated with releasing the installation's excess firm capacity in accordance with the terms and conditions of the pipeline's tariff.

(ii) The Contractor shall independently determine what rate, up to the maximum tariff rate, to post for the released firm capacity. Recall provisions, if any, as discussed in paragraph (5) below, shall be provided by the Government. On a monthly basis, the Contractor shall provide to the DESC Contracting Officer documentation that clearly demonstrates that a submission for release of the installation's excess firm capacity was made to the applicable pipeline and the complete details of the release, if made.

(iii) Prearranged deals are allowed, but shall only be conducted with authorized replacement shippers who have been prequalified by the pipeline. In addition, any prearranged deal at less than the maximum tariff rate requires justification and preapproval by the DESC Contracting Officer. All prearranged deals shall be posted on the pipeline's EBB upon completion of the transaction and provided to the DESC Contracting Officer.

(iv) The Contractor shall deduct, from the monthly demand charge stated in the contract, any amounts credited by the pipeline for released capacity transactions, accomplished either through the EBB bidding process or through prearranged deals. The parties understand that deductions, in months other than the month in which the demand charge is incurred, may be required due to the delay in receiving capacity release documentation and credit invoices from the pipeline. Regardless of whether the capacity is released through the EBB bidding process or prearranged deal, a contract modification will be issued.

(v) The Contractor may retain a portion of the rate at which the capacity was released, as follows:

RATE OF RELEASED CAPACITY AS A
PERCENTAGE OF THE MAXIMUM RATE

AMOUNT THAT CONTRACTOR MAY RETAIN

Up to 50% of maximum rate	\$.10 per Dth
Between 51% and 75% of maximum rate	\$.25 per Dth
Between 76% and 100% of maximum rate	\$.50 per Dth

As an example, the following is provided:

\$9.33 Maximum Rate per Dth
 \$5.00 Rate of released capacity per Dth
 54% release rate percentage (\$5.00 divided by \$9.33)

3,200 Dth (released MDQ quantity)
 x .25 per Dth MDQ amount that Contractor may retain
 \$800.00 Total Amount Retained

The Total Amount Retained shall be calculated on the invoice and shown as a deduction from the amount credited to the Government as a result of the capacity release.

(4) If preapproved by the DESC Contracting Officer, the capacity reserved by the pipeline for the installation may be used by the Contractor to deliver direct supply natural gas to the Contractor's non-Federal Government customers. However, the following applies:

(i) The Contractor's invoice shall reflect, as a separate entry, a credit to the monthly demand charge shown on the installation's invoice. The credit will be calculated by multiplying the maximum rate times the MDQ utilized for its other non-Federal Government customers.

(ii) Use of capacity for less than one month shall be credited on a pro rata basis.

(iii) The Contractor may not use the capacity reserved for the Government installation for any rate less than the maximum rate, unless expressly authorized by the DESC Contracting Officer after demonstration by the Contractor that, through the competitive EBB bidding process, the market value of the firm capacity is less than the maximum rate.

(iv) The incentive provision described in paragraph (3) above applies only if the Contractor agrees to credit the Government at least 100% of the maximum rate.

(5) Notwithstanding the above, installations that have a firm requirement shall have firm delivery up to the installation's MDQ and may, therefore, establish recall provisions that take precedence over firm delivery to other Federal Government installations, capacity release, either through the pipeline's EBB or prearranged deals, and delivery via excess firm capacity for interruptible requirements.

(i) On a month-to-month basis, or for longer periods, if appropriate, the installation ordering officer shall coordinate with the Contractor the recall provisions that apply to the excess firm capacity. Although input from the Contractor will be considered, the installation ordering officer shall make the final determination as to the terms and conditions of recall.

(ii) However, if the installation ordering officer authorizes the Contractor to release the excess firm capacity without recall provisions, the Contractor shall not be responsible for failing to deliver the firm quantity if the installation subsequently requires firm delivery on the released (or otherwise utilized) firm capacity.

(iii) Recall provisions shall be specific as to quantity, time period, and circumstances that trigger the recall, and shall be documented in writing. If the installation ordering officer authorizes release of either on a short term or permanent basis, excess capacity, without any recall provisions, such action shall be documented, in writing, and coordinated with DESC.

(DESC 52.242-9F85)

F701 CURTAILMENTS, CAPACITY RECALLS AND CONSTRAINTS (NATURAL GAS)(DESC MAR 2000)

(a) DEFINITIONS.

Capacity Curtailment: A capacity curtailment is defined as a limit to interruptible pipeline capacity beyond the control of the Contractor that results in delivery of less than the ordered quantity of gas for a whole or part of a gas day.

Local Distribution Company (LDC) Curtailment: An LDC curtailment is defined as an interruption of the flow of scheduled gas supplies from the city gate to the installation as a result of a directional order of the LDC for a whole or part of a gas day.

Recall of Released Capacity: A recall of released capacity occurs when the original capacity holder on the pipeline recalls its capacity pursuant to previously prescribed and electronically published recall provisions.

Operational Flow Orders: Operational Flow Orders (OFO) or any other operational notifications to the same effect are directives by the interstate pipeline or the LDC to flow additional gas supplies, reduce flow of gas supplies or match marketer supply to customer demand within specified tolerances to correct an operational problem on a pipeline. Operational flow orders or any other term used for the same type of direction, which merely require a match of supply and demand during a given gas day for daily balancing purposes, are not considered curtailments.

(b) **EXCUSES TO PERFORMANCE.** For line items requiring firm delivery, neither a capacity curtailment nor recall of released firm capacity is considered an excuse to performance. For line items requiring limited interruptible delivery, capacity curtailments and recall of released capacity are considered an excuse to performance. However, in order for an interruption to qualify as an excuse to performance for limited interruptible or interruptible requirements, the Contractor must demonstrate to the Contracting Officer that:

- (1) the Contractor placed a proper nomination to the appropriate pipeline stated in the Contractor's proposal prior to the Pipeline Nomination Deadline Date;
- (2) the quantity nominated to the pipeline is consistent with the Government's order;
- (3) the Contractor has provided written documentation from its supplier and pipeline evidencing the nomination pursuant to the GAS ORDERING PROCEDURES clause, to include, but not be limited to, the exact location of the source of supply (and basin, if applicable), receipt point, and all Points of Interconnection;
- (4) the Contractor has taken the following actions within two hours of the pipeline carrier's notification of a capacity curtailment or recall of released firm capacity:
 - (i) Notified the Ordering Officer at each location affected by the curtailment or recall;
 - (ii) Notified the DESC Contracting Officer and provided written documentation from the pipeline verifying the capacity curtailment or recall. After claiming an excuse to performance due to either a capacity curtailment or recall of released capacity, the Contractor shall not back fill later in the delivery month to replace quantities previously interrupted without written authorization from the DESC Contracting Officer.

(c) **ALTERNATE PLANS FOR PROVISION OF NATURAL GAS.** In the event of a capacity curtailment or recall of released capacity, the Contractor shall use commercially reasonable efforts to secure temporary alternate transportation access in conjunction with natural gas supply for which transportation to the delivery point(s) is available.

(1) Any costs associated with a temporary alternate transportation, i.e., alternate plan, must be approved, in advance, by the DESC Contracting Officer. When considering acceptance of the alternate plan, the Contracting Officer may request the Contractor provide an itemization of all costs associated with the proposed alternate plan price. This information may include the product source, the product cost, the pipeline transportation costs, and an identification of any other charges included within the alternate plan price. The Contracting Officer shall modify the contract to reflect the approval of the Contractor's alternate plan. Payment for gas delivered under the alternate plan, if requested, will then be processed in accordance with the contract terms and conditions.

(2) If the curtailment or recall of released firm capacity cannot be verified, the Contractor will only be paid the contract price in effect at the time of delivery for any product delivered. Likewise, if the Contractor incurs excess costs without prior Contracting Officer approval to do so, the Government will only be liable up to the contract price of gas in effect for the month(s) in question.

(d) **LOCAL DISTRIBUTION COMPANY CURTAILMENTS.** An LDC curtailment serves as an excuse to performance in the amount of the quantity interrupted regardless of the transportation method. If the Contractor uses citygate purchases to satisfy an installation's natural gas requirement, then a LDC curtailment will serve as the only excuse to performance.

(1) If the LDC curtails to zero, and if the Contractor's gas supplies do not therefore reach the installation, the Contractor shall be exempt from any liability for non-delivery of gas supplies and shall not be held accountable for any penalties or additional costs associated with the curtailment. The Contractor shall be responsible for documenting the nomination to the LDC and the nature of the LDC curtailment.

(2) If the LDC curtailment is less than 100 percent, the Contractor shall be exempt from any liability only for non-delivery of gas supplies affected by the curtailment, and shall not be held accountable for any penalties or additional costs associated with the curtailment period, provided the Contractor has notified the installation of the time to switch to its alternate fuel. The Contractor shall be responsible for documenting the nomination to the LDC and the nature of the LDC curtailment.

(e) **PARTIAL CURTAILMENTS.** If, during a pipeline or LDC curtailment/interruption, the Contractor can only deliver a partial day's usage, the Contractor is responsible for notifying the installation as to what time to switch to alternative fuel. The documentation requirements for partial curtailments are as specified in paragraphs (b) and/or (d) above. LDC operational flow orders requiring that deliveries match consumption do NOT constitute LDC curtailments.

(f) **CONTRACTOR LIABILITY.** If the Contractor directs an installation to switch to its alternate fuel without adequate excuse, the Contractor shall be liable for all excess costs related to the difference in the fuel costs and costs related to associated operations. Furthermore, if

there is an excuse to performance, the Government will only excuse that portion of the curtailed quantity of gas which is reasonably representative of the quantities of gas that would have been consumed during the excused period.

(g) **FORCE MAJEURE.** For failures of performance as a result of Force Majeure, see the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause.

G9.06 ADDRESS TO WHICH REMITTANCE SHOULD BE MAILED (DESC DEC 1999)

OSP

G700 SUBMISSION OF INVOICES FOR PAYMENT (NATURAL GAS) (DESC MAR 2000)

(a) Invoices for payment for supplies delivered under the contract shall be submitted in accordance with this clause and the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause.

(b) DEFINITIONS.

(1) **Designated Billing Office (DBO).** The designated point of receipt for the Contractor's invoice at which the net 30-day payment period begins for payment and interest purposes. The DBO may be the address of the Invoice Certifying Official or the Designated Payment Office (DPO) where the actual payment will be made.

(2) **Payment Office.** The location where payment is made to the Contractor either via check or electronically.

(3) **Invoice Certifying Office.** The office of the official responsible for checking and certifying the Contractor's invoice for payment. When the address is also the DBO, it will be identified by an "(X)".

(c) The Contractor's invoice shall be dated and postmarked no earlier than the first day of the month following the month of delivery and submitted to the DBO for each installation as specified by subline item number in the Address Table in (m) below. The Contractor must follow the distribution instructions in the Address Table. If the Government requires additional invoices for individual subline items, the number required and the address to remit them to will be provided in the Address Table.

(d) The Government is responsible for payment of quantities received by the LDC unless otherwise noted in the Schedule. If there is a discrepancy between the Contractor's invoiced quantity and the quantity received by the LDC, then the Government will pay against the lower of the two quantities. Upon request, the Contractor is responsible for providing the Invoice Certifying Office pipeline documentation that evidences quantities delivered for the month. Once the delivery documentation provided by the pipeline is available, the Contractor shall submit such documentation to the Invoice Certifying Office to support payment of delivered, but unpaid, quantities.

(e) The Government has the right to--

(1) Unilaterally adjust downward quantities indicated on the Contractor's invoice if documentation available to the Government indicates that a quantity received on behalf of the installation is less than the quantity invoiced by the Contractor; and

(2) Adjust future payments due the Contractor if any previous quantity for which the Contractor invoiced and was paid is determined to be inaccurate.

(3) The Invoice Certifying Official shall provide the Contractor with an explanation of the reasons for any adjustment under (1) and (2) above. The Contractor shall direct all disputes related to invoice adjustments to the DESC Contracting Officer.

(f) The Contractor's invoice shall reflect, by subline item, the price elements applicable to the subline item as set forth in the contract and its modifications, which are applicable to the delivery. Invoicing procedures involving excess Government-owned firm capacity and any resulting credits (or debits) to the monthly demand charge shall be as described in the DELIVERIES AND PERFORMANCE clause.

(g) When payment due date falls on a Saturday or Sunday, or on a United States Official Federal Holiday, payment will be due and payable on the following workday.

(h) The Contractor warrants that the prices invoiced are computed in accordance with the terms of the contract.

(i) The Contractor shall indicate on each invoice, when it has received an interstate transportation discount, the percentage of the discount passed on to the Government in accordance with the TRANSPORTATION DISCOUNTS AND REFUNDS clause.

(j) In accordance with paragraph (i), Payment, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause, the due date for making invoice payments, for delivery of direct supply natural gas, shall be the later of the following two events:

(1) The 30th day after the DBO has received a proper invoice from the Contractor; or

(2) The 30th day after Government acceptance of supplies delivered or services performed by the Contractor.

(k) Acceptance of natural gas supplies shall be documented on one of the following forms:

(1) Contractor's facsimile invoice;

(2) DD Form 1155 or SF1449; or

(3) DD Form 250

(l) With regard to paragraph (k) above, and notwithstanding the date delivered quantities were documented and certified by the Invoice Certifying Officer on one of the forms identified in (k) above, acceptance of direct supply natural gas under the contract shall be deemed to have occurred no later than the 7th day after the end of the month in which the Contractor has delivered gas in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or Contractor compliance with a contract requirement.

(m) **ADDRESS TABLE.**

INFORMATION TO BE PROVIDED AT TIME OF AWARD

SUBLINE ITEM	DBO	DIST. TYPE *	INVOICE CERTIFYING OFFICE	DBO	DIST. TYPE *	PAYMENT OFFICE	DESC-A**

***DISTRIBUTION TYPE:**

O = ORIGINAL INVOICE

C = INVOICE COPY BY MAIL; 2C = 2 INVOICE COPIES

F = FAXED INVOICE COPY

N/A = NO SEPARATE SUBMISSION REQUIRED.

**DESC-A = THE CONTRACT ADMINISTRATOR LISTED IN THE ADDRESS SPECIFIED IN BLOCK 9 OF THE SF 1449 (CONTRACT).

(DESC 52.232-9FD5)

G702 BILLING SERVICES (NATURAL GAS) (DESC MAR 1999)

(a) Where the Government has designated line items to require billing services, the Contractor shall provide such billing services to the burner-tip. The Contractor shall be designated as an agent for the installation(s) to obtain the necessary billing documents and reports from the Local Distribution Company (LDC). The Contractor is responsible to prepare the necessary paperwork and designations for submittal to the LDC or pipeline and for obtaining the required approvals from the installation.

(1) Billing services require the receipt, review, and correction and adjustment, payment, and pass-through of the applicable pipeline and/or LDC charges for the monthly delivery of natural gas to the installations. The Contractor shall pay applicable pipeline/LDC charges promptly, and the Contractor shall, in turn, specify the pipeline/LDC charges as a separate billing entry from the contract line item cost for delivered natural gas on its own invoice. The Government shall not be responsible for late payment penalties or other fees resulting from the Contractor's failure to pay pipeline/LDC invoices in a timely manner.

(2) The Contractor shall furnish the designated Ordering Officer with a copy of the complete LDC invoice concurrent with its own invoice for the same delivery period.

(b) The Contractor's invoices shall reflect as separate billing elements (1) the natural gas supplies transported to the f.o.b. point and the effective contract price for the delivery period, (2) the itemized applicable LDC charges payable by the installation, as adjusted, (3) any debits and credits as a result of diversion agreements, and (4) any taxes identified in the Schedule as a pass-through tax.

(c) If the Contractor is responsible for supply management, the amount billed on the Contractor's invoice as LDC charges to the Government shall be the amount payable per the LDC tariff for balanced delivery and consumption. The Contractor shall adjust the LDC invoiced amount to deduct any penalty charges, cash-outs, or purchase costs for over- or under-deliveries of direct supply natural gas by the Contractor in accordance with the STATEMENT OF WORK FOR SUPPLY MANAGEMENT clause.

(d) Any positive or negative adjustment to the LDC invoices for a previous month's delivery shall be promptly passed on to the Government. The Government shall identify any adjustments pertaining to prior delivery periods, invoices by delivery and invoice date, and invoice number, if possible.

(DESC 52.232-9FD6)

H700 TRANSPORTATION ASSISTANCE AND NOTIFICATION OF TARIFF/RATE CHANGES (NATURAL GAS)(DESC NOV 1996)

(a) The Contractor shall cooperate, as necessary, with the Government's effort in securing and arranging for transportation of direct supply natural gas by the LDC and/or interstate pipeline to the installation(s)/agencies designated in the Schedule.

(b) The Contractor shall give the Contracting Officer and the installation written notice of the filing of an application for gas transportation tariff/rate changes and/or the scheduling of a tariff/rate hearing that would impact installations within 24 hours of receiving such application or notification of such hearing.

(DESC 52.247-9F90)

H702 REPURCHASE AND SET-OFF (DESC MAR 2000)

In the event the Contractor, in any given month, fails to--

(a) Deliver the ordered quantity of direct supply natural gas and there is no excuse to performance; and/or

(b) Otherwise make progress or perform a provision of the contract--

and as a result, the Contractor is determined to be in default by the DESC Contracting Officer pursuant to the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause, the Government shall have the right to procure such deficient amount from either the LDC, by repurchase from another direct supplier, or by utilizing alternative fuel sources, such as heating oil or coal. Additional costs incurred by the Government to cover excess costs associated with procuring any undelivered quantities will be charged to the Contractor.

(DESC 52.242-9FP5)

H704 TRANSPORTATION DISCOUNTS AND REFUNDS (DESC MAR 2000)

(a) DISCOUNTS AND ALLOWANCES.

(1) The offeror shall consider pipeline discounts when formulating its Adjustment Factor. If the offeror submits worksheets along with its offer that include a breakdown of transportation costs and clearly demonstrates how such costs were derived, the offeror will be entitled to request an equitable adjustment under the contract to reflect an increase or decrease in pipeline tariff rates. However, if an offeror chooses not to submit worksheets, the transportation costs will remain fixed throughout the contract term regardless of increases or decreases in published tariff rates.

(2) The Contractor shall pass to the Government any additional discounts and allowances not included in its offer but afforded the Contractor or its subcontractor(s) after award, by the pipeline in which the Contractor transports direct supply natural gas under the contract.

(3) The Contractor shall request discounts on a month-by-month basis and shall attempt to negotiate transportation discounts or allowances specifically for the Government installation(s) stated in the Schedule.

(4) In consideration for the Contractor securing additional transportation discounts for the Government installation(s) stated in the Schedule, the Contractor shall retain 15 percent of the discount or allowance. For Northwest Pipeline line items, if the Contractor secures additional transportation discounts for the Government installation(s) stated in the Schedule after award, the Contractor shall retain 50 percent of the discount or allowance.

(5) For invoicing purposes, the following is provided, as an example only, assuming a total interstate transportation discount of \$.20:

<u>LINE ITEM</u>	<u>QUANTITY SHIPPED</u>	<u>UNIT PRICE</u>	<u>TOTAL AMOUNT</u>	
0001AA Supply Index Price	10,000 DTH	\$1.22	\$12,200.00	
0001AC	Transport Fuel Factor	10,000 DTH	\$.064210	\$ 642.10
0001AD	Supply Adjustment Factor	10,000 DTH	\$.0250	\$ 250.00
0001AE Transport Adjustment Factor	10,000 DTH	\$.0000	\$ -0-	
			SUBTOTAL	\$13,092.10
	Less Transportation Discount 10,000 X (\$.20/DTH X .85)		- 1,700.00	
				\$11,392.10

(5) The Contractor shall provide to the DESC Contracting Officer, within three working days from the date the discount or allowance is provided to the Contractor, written documentation supporting the additional discount or allowance.

(6) To assist the Contractor in negotiating additional transportation discounts, the DESC Contracting Officer shall provide the Contractor, upon request, a description of each Government installation's dual fuel capability or any other available information in support of Contractor negotiations with the pipeline.

(b) PIPELINE REFUNDS.

(1) If, at any time after the commencement of deliveries under this contract, the pipeline on which the Contractor is shipping revises its tariff, and (i) such revision is retroactive so that its effective date includes all or any portion of the contract delivery period, and (ii) the approved, revised tariff would have otherwise formed a basis, in whole or in part, for the Contractor's Adjustment Factor as described in the ECONOMIC PRICE ADJUSTMENT clause, the Contractor shall, within 30 days of such revision, notify the DESC Contracting Officer and provide documentation that supports the amount and the effective dates of the change.

(2) If the change results in a decrease in the transportation costs payable under the contract, the Contracting Officer shall--

(i) Adjust the Contractor's Adjustment Factor to reflect the decrease for the remainder of the contract term for current contracts; and/or

(ii) Advise the Contractor of the method of refunding all amounts due the Government for current and expired contracts.

(3) If the change results in an increase in the transportation costs payable under the contract, the Contractor shall submit a claim for an equitable adjustment within 30 days of learning of the basis for an equitable adjustment.

(c) In addition, the Contractor shall indicate, in writing, on each monthly invoice submitted for payment under the contract, with one of the following statements:

NO ADDITIONAL APPLICABLE TRANSPORTATION DISCOUNTS, ALLOWANCES, OR REFUNDS WERE ALLOWED BY THE PIPELINE.

OR

ALL APPLICABLE TRANSPORTATION DISCOUNTS, ALLOWANCES, AND REFUNDS WERE PASSED TO THE GOVERNMENT.

(d) The Government reserves the right to request and examine any of the Contractor's books, documents, papers, or other records involving transactions related to transportation under the contract until three years after final payment under this contract. See the CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS - COMMERCIAL ITEMS clause, paragraph (d).

(DESC 52.232-9FN5)

II.20-1 CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE (DESC NOV 1999)

(a) This clause incorporates contract clauses and solicitation provisions by reference with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

(b) The full text of any FAR, DFARS, or DLAD solicitation clause or provision may be accessed electronically at these addresses:

FAR/DFARS: <http://farsite.hill.af.mil>

FAR/DFARS: <http://www-far.npr.gov>

DLAD: <http://www.procregs.hq.dla.mil/icps.htm>

(c) **All DESC clauses and provisions are contained in full text in this document.**

(d) **Solicitation Provisions Only.** The offeror is cautioned that the solicitation provisions listed in (e)(1) below may include blocks that must be completed by the offeror and submitted with its quotation or offer. As long as the offeror identifies the solicitation provision by number, the offeror may simply complete those paragraphs requiring fill-in information to submit with its quotation or offer. In addition to the solicitation provisions listed in (e)(1) below, the contract clauses listed in (e)(2) below shall apply to any resultant contract but do not require the submission of additional offer information.

(e) The following FAR/DFARS/DLAD contract clauses and solicitation provisions are hereby incorporated by reference in addition to those listed in the CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS -

COMMERCIAL ITEMS and the CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS clauses:

(1) SOLICITATION PROVISION NUMBER	REGULATORY NUMBER	CLAUSE TITLE
I236	FAR 52.219-6	NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE

(2) CONTRACT CLAUSE NUMBER	REGULATORY NUMBER	CLAUSE TITLE
I1.22	FAR 52.203-10	PRICE OR FEE FOR ILLEGAL OR IMPROPER ACTIVITY
I27	FAR 52.203-3	GRATUITIES
I33	FAR 52.232-17	INTEREST
I84	FAR 52.216-21	REQUIREMENTS Paragraph (f) fill-in shall read "30 days after the end of the contract ordering period"
I86	FAR 52.216-19	ORDER LIMITATIONS
I171.07	FAR 52.219-16	LIQUIDATED DAMAGES – SUBCONTRACTING PLAN
I211	FAR 52.216-18	ORDERING Paragraph (a) shall read "Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued during the delivery period specified in the Schedule."
I226	FAR 52.232-18	AVAILABILITY OF FUNDS
	DFARS 252.225-7009	DUTY FREE ENTRY – QUALIFYING COUNTRY END PRODUCTS AND SUPPLIES

(DESC 52.252-9F08)

I11.01-2 ADMINISTRATIVE COST OF TERMINATION FOR CAUSE -- COMMERCIAL ITEMS (DESC FEB 1996)

(a) In the event this contract is terminated for cause, in whole or in part, the Government will incur administrative costs.

(b) The Contractor agrees to pay all administrative costs associated with a contract termination action. The minimum amount the Contractor shall pay for each termination action is \$500. This payment for administrative costs is in addition to any excess procurement costs and any other remedies or damages resulting from the termination.

(c) The term **termination action**, as used herein, means the termination for cause, including any associated procurement effort, involving--

- (1) Any single order or any group of orders terminated together;
- (2) Any item or group of items terminated together; or
- (3) The entire contract.

(DESC 52.249-9F20)

I28.08 AFTER-IMPOSED/RELIEVED FEDERAL, STATE, AND LOCAL TAX (DESC JUN 1999)

(a) **After-imposed Federal, State, and local tax**, as used in this clause, means any new or increased Federal, State, and local tax or duty, or tax that was exempted or excluded on the contract date but whose exemption was later revoked or reduced during the contract period, on the transactions or property covered by this contract that the Contractor is required to pay or bear as the result of legislative, judicial, or administrative action taking effect after the contract date. It does not include social security tax or other employment taxes.

After-relieved Federal, State, and local tax, as used in this clause, means any amount of Federal, State, and local tax or duty, except social security or other employment taxes, that would otherwise have been payable on the transactions or property covered by this contract,

but that the Contractor is not required to pay or bear, or for which the Contractor obtains a refund or drawback, as the result of legislative, judicial, or administrative action taking effect after the contract date.

(b) The contract price shall be increased by the amount of any after-imposed Federal, State, and local tax, provided the Contractor warrants in writing that no amount for such newly imposed Federal, State, and local tax or duty or rate increase was included in the contract price, as a contingency reserve or otherwise.

(c) The contract price shall be decreased by the amount of any after-relieved Federal, State, and local tax.

(DESC 52.229-9F30)

I28.28 SUPPLIES TO BE ACCORDED DUTY-FREE ENTRY (DEC 1991)

OSP

I174.03 SUPPLY COMMITMENTS FOR SMALL BUSINESS CONCERNS (NATURAL GAS) (DESC MAR 1999)

(a) In order to comply with statutory small business requirements--

(1) An offeror who certifies as a small business and offers on a line item set aside for exclusive small business participation; or

(2) A small business offeror who requests the HUBZone Price Evaluation Preference (HPEP) described in the NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS clause must propose to furnish direct supply natural gas from a well owned and operated by a HUBZone-qualified small producer(s), which is defined by the Small Business Administration to include all affiliates and subsidiaries. Intermediaries and middlemen, such as other suppliers and marketers, regardless of size, are not allowed.

(b) Prior to award and during contract performance, the offeror must clearly demonstrate a direct relationship between the natural gas well(s) owned and operated by a HUBZone small business producer and the offeror. In accordance with the INSTRUCTIONS TO OFFERORS - COMMERCIAL ITEMS clause, the offeror meeting the criteria in paragraph (a) above must submit with its initial offer a supply commitment (which may be contingent upon award) from a HUBZone-qualified small business producer(s) to be utilized during contract performance. The supply commitment letter shall specifically state that product delivered in support of the 10 percent HPEP line item shall be product originating from the HUBZone-qualified small business producer's own well, as well as an affirmative statement that the documentation required by paragraph (d) below shall be provided to the Contractor for submission to the Contracting Officer on a monthly basis. Pools are allowed only if it is clearly demonstrated prior to award that all producers in the pool are HUBZone-qualified small businesses and the offeror has a direct relationship with the small business pool aggregator. Failure to provide such documentation will make the offeror nonresponsible and ineligible for award.

(c) The name(s) and address(es) of all HUBZone small business producers shall be incorporated into the contract award document.

(d) If circumstances are such that, during the term of this contract, a previously approved HUBZone small business producer as designated in the award document will no longer provide the product, the Contractor agrees to immediately notify the Contracting Officer of the name and address of the replacement HUBZone small business producer for approval by the Contracting Officer.

(e) Failure to accomplish any of the following may constitute grounds for terminating the contract for default:

(1) Failure to obtain approval of a replacement HUBZone small business producer;

(2) Failure to submit the documentation required by paragraph (d), above; or

(3) Failure to comply with the statutory requirement that all natural gas delivered under the 10 percent HPEP line item shall be from a well owned and operated by a HUBZone small business producer(s).

(f) Termination under this clause shall not constitute a waiver of the Government's rights under law or provided elsewhere in this contract.

(DESC 52.219-9F50)

I190.04 MATERIAL SAFETY DATA SHEETS -- COMMERCIAL ITEMS (DESC MAR 1996)

OSP

I209.08 EXTENSION PROVISIONS (NATURAL GAS) (DESC MAY 1997)

(a) For line items priced as Fixed-Price with Economic Price Adjustment, the Government reserves the right to unilaterally extend performance, one or more times, in accordance with the existing contracting terms and provisions, so long as the total additional performance does not exceed six months.

(b) For line items priced as Firm-Fixed-Price, the Government may request extension of performance, one or more times, at the existing fixed price and in accordance with the existing contract terms and provisions, so long as the total additional performance does not exceed six months. If the Contractor declines to extend at the existing price, the Government may propose a new firm-fixed-price for the extension. Extension

of Firm-Fixed-Price line items must be accomplished by agreement of all parties (bilateral modification). Failure to agree will result in expiration of the contract at the end of the current performance period.

(c) Notice of unilateral contract extension or request for bilateral extension will be furnished to the Contractor not later than 45 days prior to the expiration of the contract or any extension thereof. However, nothing in this clause precludes the Contractor from agreeing to an extension of the contract if the Government fails to issue the notice prior to the 45 days.

(d) The foregoing extensions may be exercised by the Government--

- (1) Where continued performance is required until a follow-on contract is awarded;
- (2) In the event a follow-on contract has been awarded, until a succeeding Contractor is positioned to commence performance;
- (3) Where the Government decides that follow-on services will be performed by the LDC; or
- (4) Where the Government terminates for cause a contract for follow-on supplies prior to the commencement of performance

by the follow-on Contractor.

(e) Extension of this contract shall be considered to have been accomplished at the time the Government deposits written notification to the Contractor in the mail or provides such notification by facsimile transmission.

(DESC 52.217-9F30)

I700 GAS ORDERING PROCEDURES (DESC MAR 2000)

(a) In accordance with the REQUIREMENTS and the ORDERING clause, the Government intends to order quantities of direct supply natural gas consistent with its estimated monthly requirements. Each installation will determine the duration of its order, with an order being no less than one month and no greater than one year. In no event shall an order continue beyond the contract delivery period as stated in the Schedule for each individual contract line item, unless the DESC Contracting Officer has extended the contract pursuant to the EXTENSION PROVISIONS clause. An installation which has an Alternative II ceiling provision (see the ECONOMIC PRICE ADJUSTMENT clause) will only issue monthly orders. Orders may be issued in writing, orally, or by written telecommunications, with verbal orders being confirmed by a written delivery order within 24 hours after issuance of the order. The ordering office's failure to issue a written delivery order, or the Contractor's failure to receive a written delivery order, does not relieve the Contractor from its obligation to perform in accordance with the verbal order. Ordering, nomination, and adjustment of quantity (balancing) procedures shall comply with applicable LDC and interstate transportation procedures/agreements.

(b) For installations without Supply Management, the Government shall notify the Contractor of the ordered volumes of gas for any given period at least one working day prior to the 25th calendar day of the month preceding delivery. The Contractor, in turn, shall nominate the Government's requirement(s) to the pipeline prior to the applicable local distribution company (LDC) and/or Pipeline Nomination Deadline Date. If required, the Contractor shall nominate daily volumes of gas to be delivered under the contract to the pipeline and/or LDC. For those line items that require firm delivery, the Contractor shall prudently prorate deliveries throughout the month, unless the Government specifically notifies the Contractor otherwise. If the Schedule contains both a firm and an interruptible or limited interruptible line item, volumes delivered in excess of the ordered firm quantity shall be delivered on an interruptible basis or a limited interruptible basis.

(c) During the month of delivery, the Government, at its option and at no cost to the Government, may revise (swing) upwards or downwards the amount ordered. Under firm delivery basis, the swing is 10 percent or less. Under limited interruptible or interruptible delivery, the swing is 25 percent or less.

(d) For installations that require supply management, the Ordering Officer shall order the estimated quantity determined to be the Government's requirement but obligate additional funds for quantities to include the above percentages to allow the Contractor to nominate, deliver and balance without the written consent of the Ordering Officer. Installations that do not require supply management may also obligate funds to include the swing percentages, at the discretion of the Ordering Officer.

(e) Adjustments to ordered quantities that are outside the swing provisions require mutual agreement between the Contractor and the DESC Contracting Officer. Examples of situations that may precipitate a change in the Government's requirement include, but are not limited to, changes in the weather, failure of Government equipment, and use of alternative energy sources, such as coal or heating oil.

(f) Questions arising from individual delivery orders shall be addressed to the individual Ordering Officer. Any failure to resolve issues resulting from an individual delivery order shall be referred to the DESC Contracting Officer.

(g) Accounting and appropriation data will be set forth on individual delivery orders issued under the contract. Funds shall be obligated for the entire quantity stated on the delivery order.

(h) The following Ordering Offices are authorized to issue orders hereunder:

LINE ITEM/ <u>SUBLINE ITEM NO.</u>	ORDERING <u>OFFICE</u>
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INFORMATION TO BE PROVIDED AT TIME OF AWARD

L96 ADMINISTRATION OF THE SMALL BUSINESS SUBCONTRACTING PROGRAM (DESC FEB 1999)

The SMALL BUSINESS SUBCONTRACTING PLAN clause contained in any contract awarded under this solicitation will be administered by the cognizant Defense Contract Management District.

(DESC 52.242-9F15)